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FBIS-EEU-96-151
Monday
5 August 1996

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Daily Report
East Europe

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Albania: Foreign Minister Shehu Returns From Ireland

AU0208201996 Tirana TVSH Television Network in Albanian 1800 GMT 2 Aug 96

[Report by Gilbert Galanxhi—recorded]

[FBIS Translated Excerpt] Tritan Shehu, deputy prime minister and minister of foreign affairs, returned home after an official visit to Northern Ireland. [passage omitted]

[Shehu] What was important during the visit was that the Irish Government, chairing the EU Presidency, as well as the EU Presidency itself, confirmed that they will continue to support Albania in its reforms and expeditiously start negotiations for Albania's association with the EU. These were the most important points that I discussed in the meetings with Irish top officials, politicians, and political forces.

I can also say that I held a very fruitful meeting with the secretary general of the European Democratic Union in Vienna, who confirmed his full support to the Democratic Party and the democratic developments that have started and will continue to progress in Albania.

Albania: Greek Envoy Views Work of Consulate in Gjirokaster

AU0108160196 Tirana ATA in English 1129 GMT 31 Jul 96

[Report by Sh Hajno]

[FBIS Transcribed Text] Sarande, July 31 (ATA)—General consul of the Greek Consulate in Gjirokaster, Nikos Kanellos, after attending the traditional festivities of Saint Perashqevia in the commune of Livadhja in the district of Sarande (southern Albania), held a meeting with local government of this commune.

The meeting was attended by inhabitants of the commune (Albanians and Greek minority inhabitants), village dignitaries, chairmen of other communes, traders with activity in this area and others.

The Greek diplomat Kanello said that the future work of the Greek consulate in Gjirokaster will aim in strengthening of mutual relations between the two countries and in solution of problems of the Greek minority and Albanians.

He confirmed that Albanian citizens will be helped to get employed by offering them three-months visas and Albanian investors by enabling them release of credits.

Albania: Greek Consul, Vlore Prefect Discuss Relations

AU0208163696 Tirana ATA in English 1022 GMT 2 Aug 96

[Report by Harilla Koci]

[FBIS Transcribed Text] Vlore, August 1 (ATA)—"Relations between Albania and Greece on the national and local aspects keep consolidating," was one of the conclusions of the meeting held today in the prefecture of Vlore between the prefect Bahri Shanaj and the Greek consul in Gjirokaster, Kanellos.

Shanaj made a panorama of the work of the prefecture of Vlore, underlining that its bordering with Greece makes local cooperation even more indispensable. In this regard he pointed out the good development of contacts in the recent years which are a consequence of the good relations existing between the two countries.

Prefect Shanaj asked the Greek consul in Gjirokaster to influence in encouraging seasonal employment for Albanians in the regions bordering Greece, the opening of the Qafe-Bota customs point, which will be rather important, as well as Greek investments for the region of Vlore prefecture.

"The relations between our two countries are in a good level," said the Greek consul Kanellos in his address. "Their basis lies in the democratic changes that Albania has had in the recent years. The open policy followed by our two countries will strengthen the relations in the future."

Kanellos said that the situation in the Greek minority is rather good and bears no comparison with the period before 1990. He also said that religious questions have also been solved. Kanellos proposed the opening of a Greek bank in Gjirokaster.

Albania: Archbishop Opposes Choice of Greek Metropolitans

AU0108135196 Tirana KOHA JONE in Albanian 1 Aug 96 p 1

[Article by Ilir Babaramo: "No to Greek Clergy in Korce, Vlore, Gjirokaster"]

[FBIS Translated Text] The Patriarchate of Constantinople had decided to send to Albania three metropolitans of Greek nationality, but Archbishop Janullatos has said "no."

The seat of the Orthodox Church in Istanbul had asked Janullatos, archbishop of the Albanian Autocephalous Orthodox Church, to perform the rite of induction of the three Greek candidates to the senior posts of metropolitans of Gjirokaster, Vlore, and Korce. But Janullatos objected. "My selection as archbishop of the Albanian Orthodox Church provoked objections four years ago, because of my Greek nationality," Janullatos said, explaining his hesitation.

His Grace is reported to have said "I favor dialogue with the Albanian state authorities." Janullatos came to Albania in 1991 as the exarch of the Patriarchate of Constantinople, and one year later was appointed archbishop of the Albanian Autocephalous Orthodox Church with the approval of President Berisha. However, the Greek citizen who is archbishop of the Albanian Church has often found himself in the crossfire of relations between the two states. The deterioration of Albanian Greek relations "reminded" the Albanian state leaders that the Orthodox Church is headed by a Greek priest. In this embittered climate between the two states, the draft constitution the approval of which Berisha sought in Albania's first-ever referendum laid down that the primates of Albanian churches must be of Albanian nationality. Although much water has since flown under the bridge, Janullatos has not forgotten. Waiting for the Albanian state authorities to speak out, he has frozen the appointment of the three Greek priests to the posts of metropolitans in Albania.

Under Albania's present conditions, in which President Berisha controls every segment of the state, he alone, either directly or indirectly, will decide. Berisha is at the moment on vacation in Pogradec, but all vacations come to an end. It is difficult to predict whether Berisha will take the same stand over the three metropolitans as he did four years ago when he accepted Janullatos, or whether he will adopt the attitude of the draft constitution that he tried to have approved in November 1994. This issue is expected to be reflected in Albanian-Greek diplomatic relations, which have fluctuated in the last few weeks following Athens's objections to Tirana's attacks on the Greek lobby in the United States. In any case, the best response from both Athens and Tirana would be not to interfere in the church's affairs.

Albania: Orthodox Committee Protests Naming of Greek Bishops

AU0108182796 Tirana ATA in English 1337 GMT 1 Aug 96

[Report by R. Floqi]

[FBIS Transcribed Text] Tirana, August 1 (ATA)—The Albanian Committee for the Defence of the Albanian Orthodox Autocephalous Church has issued a protest to the oecumenical Patriarchy of Istanbul, Fanari, and to patriarch Bartholomew against the appointment by the patriarchy of three Greek bishops as metropolitans of Gjirokaster, Vlore, and Korce.

"The orthodox believers and the entire Albanian people consider this an illwilling act and interference into the internal affairs of the Albanian Orthodox Autocephalous Church (AOAC)," the protest says.

"The main point of the Autocephaly Status of the Albanian Orthodox Church attained in 1929, as well as in all other Autocephalous churches of the other Balkan countries, requires that clergies and high ranking religious hierarchies of the Albanian Orthodox Autocephalous Church be of Albanian nationality and citizenship, excluding the minority zones, where minority clergies will say Masses in the Greek language," the statement says.

The Patriarchy, fully violating the status of the Albanian Orthodox Autocephalous Church of 1929, Autocephaly recognised in 1936, consecrated a few days ago, without the approval of the Albanian Church and State, three Greek bishops for three dioceses in Albania.

According to an information provided by Jani Trebicka, responsible for the church, the decision has been taken without the knowledge of the Albanian Orthodox Church and without the approval of Arch-bishop Janullatos.

However no protest has been launched by him and this hesitation is linked with the reaction caused by the appointment of Janullatos himself to lead the Albanian Orthodox Autocephalous Church in 1991.

"I favour dialogue with Albanian state authorities," his Holiness Janullatos, who has not openly expressed himself against the patriarchy, has been cited as saying.

"We do not understand this attempt of the Patriarchy to deny the Autocephaly of the Albanian Orthodox Church after so many decades and usurp its leadership by Greek bishops and archbishop," says the protest, signed by the committee's chairman, Petrit Bidoshi.

A copy of the protest has also been presented to ATA for information.

The Albanian Orthodox Autocephalous Church is called by the entire Albanian people "'The National Autocephalous Church of Albania.' It is sacred for all Albanians and any kind of religion for its great contribution to national unification and fraternity. The Autocephaly of the Albanian Orthodox Church is sealed with the efforts and blood of its best representatives," the protest says.

Arthur Liolin, head of the Orthodox Episcopate of the Albanians in America, has also sent to Metropolitan Theodosius, Primate of the Orthodox Churches of

America, a fax, which stresses that this act of the oecumenical Patriarchy runs counter to its assurances that "the Holy Sinod of the Albanians will be created by the Albanian church, itself."

Albania: Group Protests to President About Greek Bishops

AU0408140896 Tirana ATA in English
1454 GMT 2 Aug 96

[FBIS Transcribed Text] TIRANA, AUGUST 2 (ATA)—The Presidency of the "Fan S. Noli" National Association has sent a copy of its protest to Albanian President Sali Berisha, Parliament's Speaker Pjeter Arbnori, Prime Minister Aleksander Meksi and the Dean of the Diplomatic Corps accredited to the Republic of Albania, Romanian ambassador George Miku, to make them aware of Istanbul Oecumenical Patriarchy's decision to ordain three Greek bishops in three dioceses in Albania without the approval of the Albanian Church and State.

"We consider this act an interference not only into the rights of the Albanian Autocephalous Church but also into the internal affairs of the Albanian state," the protest says.

"How is it possible that the Istanbul Patriarchy thinks to ordain in Albania only Greek orthodox ministers and not send them to other countries of the former communist East?," the Presidency of the association asks.

The protest says that "It is not the first time the patriarchy tries to put the Albanian Orthodox Autocephalous Church in the clutches of the Hellenic Church."

The decision of the Istanbul patriarchy runs contrary to the Statute of 1926 of the Albanian Orthodox Autocephalous Church. The Patriarchy recognised the autocephaly of this church in 1936.

Fan Noli, the association is named after, was chairman of the Albanian Orthodox Autocephalous Church in the U.S. He was the most outstanding activist in creating the Albanian Orthodox Church and detaching it from the denationalising influence of the Greek Church.

Albania: Minister, Swiss Envoy Discuss Cooperation, Aid

AU0108155196 Tirana ATA in English
1104 GMT 31 Jul 96

[Report by A. Frasheri]

[FBIS Transcribed Text] Tirana, July 30 (ATA)—Albanian Justice Minister Kristofor Peci met Tuesday [30 July] with the ambassador of the Swiss Confederation to Albania, Thomas Feler.

They discussed cooperation between the Albanian Justice Ministry and the Swiss Confederation. Feler expressed readiness to increase cooperation and provide aid in various fields of justice.

Peci thanked the Swiss ambassador for the readiness shown by the Swiss Government and asked aid and technical assistance for the prisons' system because their conditions, inherited by the communist system, were poor, according to the spokesman of the Justice Ministry.

The two also discussed the aid Switzerland will provide Albania with in the field of criminality, particularly in preventing drug traffic and trade.

The Swiss Government is mediator of the Council of Europe and the Albanian Justice Ministry about CE assistance for the Magistracy School in Albania.

Albania: Berisha Creates 'Permanent' Election Commission

AU0308171196 Tirana Radio Tirana Network
in Albanian 1330 GMT 3 Aug 96

[FBIS Translated Text] The President of the Republic Press and Information Office reports that, based on his prerogatives and according to Clause 19 of Article 28 of Law No. 7491, dated 29 April 1991, "On the Main Constitutional Provisions," the president of the Republic has decreed the creation of the Central Election Commission of the Republic of Albania. This commission will be a permanent body that will organize, manage, and control the procedure of elections in the Republic of Albania in conformity with the judicial electoral provisions of the Albanian state.

The permanent Central Election Commission is made up of a chairman, a deputy chairman, a secretary, and 14 members. It will be defined by the president of the Republic upon the proposal of the Council of Ministers and political parties.

On this occasion, all political parties that have submitted proposals for members of the Central Election Commission in local government elections are informed to withdraw the proposed candidatures if they consider it necessary to substitute the candidates already proposed or if the candidates themselves do not agree with this proposal. In accordance with Decree No. 1568, dated 2 August 1996, "On the Central Election Commission of the Republic of Albania," the Council of Ministers and the political parties should send to the president of the Republic their proposals for members of this commission no later than 13 August.

Albania: Soros's Rescue of KOHA JONE Protested

AU2607125096

[FBIS Report] Tirana ALBANIA, REPUBLIKA, and RILINDJA DEMOKRATIKE in Albanian on 26 July each carry a blank page two and an identical statement of protest against the Soros Foundation's financial rescue of KOHA JONE. Tirana GAZETA SHQIPTARE and POLI I QENDRES in Albanian carry blank second pages with different statements, and Tirana KOHA JONE in Albanian carries on its first page an editorial comment. which states that "if these newspapers find it hard to fill their pages... we are always ready to provide free articles that will also boost their circulation."

The statement carried on the front pages of ALBANIA, REPUBLIKA, and RILINDJA DEMOKRATIKE, drawn up in Tirana on 25 July, reads as follows:

"The directors and publishers of the country's main newspapers met today to discuss the many problems confronting the press.

"They notice with concern that many economic and financial problems and high taxes are placing difficulties in the path of the press, facing it with bankruptcy.

"Following the situation created by the sudden intervention of the Soros Foundation in Albanian with $200,000 for the newspaper KOHA JONE, the directors and publishers of the newspapers note that:

"The work of the philanthropist George Soros is of a certain general character. His benefactions genuinely help to consolidate an open society. However, Soros's concentration of his help on KOHA JONE is in flagrant contradiction to the principles of an open society. It has set an extremely dangerous precedent for the freedom of the press and tramples on the budding competition in the Albanian newspaper market.

"The following newspapers will use all forms of protest against the intervention in the newspaper market of the Soros Foundation in Tirana in order to create press monopolies. The following papers will be published tomorrow with a blank page:

"1. ALBANIA

"2. GAZETA SHQIPTARE

"3. DITA INFORMACION

"4. POLI I QENDRES

"5. RILINDJA DEMOKRATIKE

"6. REPUBLIKA

"7. BASHKIMI

"8. TRIBUNA

"9. BALLI I KOMBIT

"10. RILINDJA

"11. LAJMI I DITES

"12. DRITA

"13. SINDIKALISTI

"14. LIRIA

"15. SPORTI

"16. BOTA SOCIALDEMOKRATE

"At the same time, the directors and publishers of these newspapers appeal to the Albanian Government to urgently look at the workings of the press in order to ease the tax burden on it. In order to define the demands, a group has been created to negotiate with representatives of the government." Although mentioned in this list, Tirana RILINDJA in Albanian on 26 July does not carry this statement or a blank page.

GAZETA SHQIPTARE does not mention this statement, but carries on page one a 400-word commentary by Armand Mero, headed "Why There Is a Blank Page Today," which states:

"The alarm bell is sounding for the Albanian press. Sixteen newspapers have decided to leave one of their pages blank today as a sign of protest against the difficult financial and economic situation in which they find themselves because of the heavy tax burden they bear and the problems of their nationwide distribution." The commentary concludes: "Another dangerous shadow has been added to the anxieties of the press in the last few days—the finance for KOHA JONE from the Soros Foundation. Without wishing in any way to set ourselves up to judge either KOHA JONE or Soros, whose work in different fields in Albania cannot be discounted, we are seriously concerned at a case that could set a dangerous precedent and could openly threaten free competition among Albanian newspapers. To intervene financially in a single newspaper means to fail to respect the others, who, as they do their duty, tighten their belts every month to the final notch in order to survive. This is not only unfair, but dangerous."

POLI I QENDRES heads its blank second page with the headline "Albanian Press Faces Bankruptcy" and the words: "Sixteen newspapers appeal to the Albanian Government to urgently look at the workings of the press in order to ease the tax burden on it. In order to define demands, a group has been created to negotiate with representatives of the government. We publish this blank page in protest at taxes."

KOHA JONE carries the following editorial, headed "Explanation for 16 Newspapers":

"We learned from the state television yesterday evening that 16 progovernment newspapers are today each publishing a blank page as a sign of protest at the returnable loan the Soros Foundation has granted to KOHA JONE. In order to make our stand clear to readers, we state that we do not intend now or ever to line up alongside those newspapers that, on 26 May, supported the violence and the theft of votes and that are supplied with advertisements from the National Privatization Agency, the National Housing Institute, and other state agencies worth thousands of dollars. We do not intend to line up alongside those sections of the Albanian and Italian press that did not agree to publish a blank page in protest at the imprisonment of the journalists of KOHA JONE.

"We nevertheless wish to issue a reminder that, if these newspapers find it hard to fill their pages, they should knock on the door of KOHA JONE because we are always ready to provide free articles that will also boost their circulation."

Bulgaria: Radiation 'Normal' After Possible Romanian Accident

AU0508133696 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 5 Aug 96

[FBIS Translated Text] There is no change in the radiation level in the region of Silistra following reports of an accident at the Cernavoda Nuclear Power Plant in Romania, the Civil Defense in Silistra reports.

Measurements have shown 0.010 milliroentgen of radiation, assessed by the experts as normal. No reports of any emergency have been received from the neighboring Romanian city of Calarasi during regular radio contact with the Civil Defense there.

Bulgaria: Pavlov on Idea of Russia, NATO Mediation

AU0208202296 Sofia TRUD in Bulgarian 2 Aug 96 p 4

[Interview with Bulgarian Defense Minister Dimitur Pavlov by Irena Marinova; place and date not given]

[FBIS Translated Text] [Marinova] How would you comment on the idea of your UK colleague Michael Portillo; namely, that Bulgaria could serve as a bridge between Moscow and NATO?

[Pavlov] This is not a new idea. We discussed it with U.S. Defense Secretary Perry and NATO Secretary General Solana. They assume that Russia would accept Bulgaria's positions with much more confidence than the positions of NATO's leadership. In Brussels, they think it would be beneficial if Bulgaria were to join the dialogue with a view to convincing Moscow that NATO's position is sincere, that NATO's expansion is not aimed against Russia, and that there is no intention to create new lines of confrontation in Europe.

[Marinova] Do you share the concern of your Romanian colleague Tinca that NATO's eastward expansion will end with the admission of the Visegrad Three—Poland, the Czech Republic, and Hungary—while the other countries of the former socialist bloc will remain in the so-called gray zone?

[Pavlov] Admission to NATO will not be a single act, as my colleague Tinca thinks. At present, eventual Russian membership is being discussed, thus the dialogue has not ended yet.

[Marinova] Unlike you, your colleague Pirinski has recently avoided making any statements regarding our euro-atlantic integration and refers only to our participation in Partnership for Peace. Are there differences in your positions?

[Pavlov] No, our positions coincide.

[Marinova] Why did the chief of the Yugoslav 3rd Army visit the elite Gorna Banya tank brigade?

[Pavlov] Because our chief also visited foreign countries. This is an accepted matter. It is not very horrible when an intelligence chief visits there. It is much more horrible when one of his employees enters the place.

[Marinova] Are there enough funds for military wages in the amended budget?

[Pavlov] Yes, because the funds for the 20-percent wage increase in July have been guaranteed. Some 2 billion leva have been earmarked for wages until the end of 1996.

Bulgaria: Portillo Remarks on Sofia as 'Bridge'

AU0208175696 Sofia DUMA in Bulgarian 2 Aug 96 p 7

[Commentary by Vasil Popov: "Sofia as Mediator Between Superpowers"]

[FBIS Translated Text] Regardless of how imperceptible it is on the world geographic map, from an historical point of view, Bulgaria has often been [illegible] the intersection of the superpowers' interests. Sometimes it has even been a rather hot point on the map. It has been said that the country has repeatedly been the subject of haggling by the superpowers—in Yalta, Malta, and so on.

New concepts and formulations emerge with new times. Now it is rather improper to treat a sovereign state as the subject of a barter deal, and indeed, from a geopolitical point of view, it is imprudent to even attempt it. The idea of Bulgaria serving as a mediator to bring the positions of Russia and NATO on the problems of European security closer has been launched repeatedly over the last few months.

A generally hazy idea began to acquire real dimensions before our very eyes. The UK secretary of state for defense, Michael Portillo, said here the words we all heard. Bulgaria could utilize its relations with Moscow and become a bridge between Moscow and NATO.

A country could significantly improve its national security for many generations from only the dividends of such a mediation. For the time being, the formula is wrapped in many qualifications and is full of "ifs." Thus the rivers of milk and honey would hardly start to flow tomorrow.

However, when a British statesman voices such an idea, it means that it has been analyzed. The serious people of the West would hardly utter political improvisations just to curry favor with us.

Bulgaria's position on NATO has often been described as unclear, indecisive, and evasive. It is true that there is no consensus among our political forces. It is also true that we heard from NATO itself that it is too early for our membership. Perhaps our chance was precisely in the fact that we did not hasten to join the queue of those waiting for NATO membership. The question is whether this is the winning puzzle, and whether our politicians will be able to solve it.

Bulgaria: Prospective Role as NATO-Russia Bridge

AU0208165796 Sofia 24 CHASA in Bulgarian 1 Aug 96 p 12

[Article by Lyubomir Denov: "About NATO-Sofia-Moscow Bridge"]

[FBIS Translated Text] The formula "Bulgaria as a bridge between NATO and Russia" sounds so tempting it seems unbelievable.

However, the idea acquires real dimensions when it comes from the mouth of Michael Portillo, UK secretary of state for defense.

Viewed objectively, at the moment this is the only formula that could help the world answer the question of which direction Sofia is looking. The formula is also a classic example of a strategic mediation of a worldwide scope.

The differences between the red [Bulgarian Socialist Party—BSP] and the blue [Union of Democratic Forces—SDS] on possible NATO membership are natural. Neither the East nor the West views them as something tragic.

However, both sides have long been asking themselves: Isn't it high time the quarreling parties found some points of contact on the most important issue—the country's security?

The idea of mediating between the two superpowers has historical roots. The secret negotiations between Stalin and Hitler on stopping combat actions during the first weeks of the war were effected through a Bulgarian diplomat. As far as we know, nothing came of it, but in this case it is not the result that is important. In times of war, things are extremely unstable.

The important thing is that a Bulgarian representative, rather than a representative of Romania or Turkey, for example, was selected for such an extremely delicate mission.

It is therefore reasonable to assume that today, when the world is not threatened by stormy shocks, Bulgaria could really play an historic role. Such a role is determined not only by the country's geostrategic suitability but by its history. It is already clear that Russia will not reconcile itself to the place in the second row that certain Western strategists have hastened to assign it. The stubbornness Yeltsin has demonstrated on NATO expansion is not as much a result of concerns for Russia's security but rather a means of reminding the West who the superpowers are.

This conclusion is confirmed by the sudden statement of General Lebed that Russia does not fear NATO expansion because it is senseless anyway. When the peoples of the NATO member states understand its price, they will become its opponents, the Kremlin's present strong man claims.

Both the rulers and the opposition could benefit from a possible strategic mediation.

For the BSP, this could be the way out of the dead-end street in which it finds itself as a result of its beating around the bush over state security. For the SDS, it could be at least a temporary solution to the no-win situation in which it finds itself as a result of the West's categorical position; specifically, that willingly or not we will become NATO a member.

Who knows? Perhaps precisely this strategic mediation will shorten the way between Bulgaria and NATO. It was said a long time ago that our road to NATO passes through Moscow.

For the time being, the formula is only a theoretical matter. The other day in Sofia, Michael Portillo was rather laconic and hastened to protect himself with the sleek "you could," "it would be beneficial," and so on because the formula also has opponents.

On the same day Portillo landed in Sofia, Jonathan Ayle [name as transliterated], director of the Royal United Services Institute, said the idea of Bulgaria serving as a bridge between Russia and NATO is absurd. The idea has been promulgated by the previous government. The game between Russia and NATO is sufficiently complex and big to be influenced by some Bulgarians.

There is nothing new under the sun. Our history after Bulgaria's liberation is full of examples in which Great Britain tried to harm young Bulgaria. We could only hope that official London's policy is determined by Downing Street rather than by some institute.

Big history is too important to leave in the hands of only the big states.

However, the bird could fly away from our shoulder. This will certainly happen if the red and blue parties do not understand that there are moments when they should overcome their differences in the name of national interests.

Bulgaria: Turks Said Trying To Create 'Muslim Colonies'

AU0508103296 Sofia STANDART NEWS in Bulgarian 4 Aug 96 p 3

[FBIS Translated Text] Christians have been alarmed by the fact that emissaries from the Pulgyoc [spelling as transliterated] Turkish emigrant organization are trying to establish Muslim colonies in areas inhabited by Pomaks [ethnic Bulgarians converted to Islam]. For a week now, representatives of Pulgyoc have been touring the region of Belitsa and Yakoruda, trying to persuade the people to form colonies and promising money to those who start work for the cause.

Bulgarians in the region warn that this is the start of establishing Muslim autonomy in Bulgaria.

The emissaries claim that many of the Muslims who left Bulgaria between 1989 and 1991 will return here if a Muslim axis is formed with Istanbul. According to them, Turkey is not investing in Bulgaria because our state does not guarantee political and ethnic rights to the Muslims. The envoys are reported to have started to collect signatures to determine how many of the faithful want Muslim colonies.

Christians in the region of Belitsa and Yakoruda have declared that unless the state takes immediate steps, it cannot be excluded that the Pirin and Rhodope regions may not become a second Bosnia. They recall that for several years now the DPS [Movement for Rights and Freedoms] has been sending the children of its active supporters to study in Istanbul.

A videocassette about Bosnia is being circulated in the Yakoruda district that calls upon the Muslims to declare war on the other religions. "This appeal is a real threat to our country," warned Zhivko Sakhatchiev of Yakoruda, who is the holder of the "Balkan Job" award. "In a village like Avramovo, with 715 inhabitants," he said, "it is not normal for eight men to be preparing to become Muslim priests. The DPS sends them to study in Saudi Arabia, Syria, Jordan, and Turkey." Some time ago, Sakhatchiev announced at a news conference that seven new mosques were under construction in the Yakoruda region. Christians in the districts with mixed populations fear that the state will realize the danger and act against the Islamization only when it is too late.

Bulgaria: DPS To Support Trade Union Strikes

AU0208181996 Sofia TRUD in Bulgarian 2 Aug 96 pp 1, 3

[Article by Pavlina Trifonova: "DPS Ready To Leave Parliament"]

[FBIS Translated Text] Ahmed Dogan, leader of the Movement for Rights and Freedoms [DPS], announced on 1 August that the DPS is ready to leave the National Assembly. The Movement is prepared to offer political support to the trade unions, which intend to lead the people in strikes and riots at the beginning of October.

Leaders of the Podkrepa Labor Confederation and the DPS have already begun consultations on the joint protest actions against the antisocial policy of the cabinet. The goal is to prompt early parliamentary elections. Two weeks ago, the trade union had talks with the deputies of the Union of Democratic Forces [SDS], but they did not commit themselves to participation in the protests as they believe this will hurt the presidential elections campaign.

Dogan pointed out that it is no longer a matter of preserving the seats in the National Assembly but of responding to pressure from the voters. The government and ruling majority have no experience, responsibility, or willpower to cope with the situation in the country. Therefore, extraparliamentary actions are necessary, and the DPS will support such actions, he said.

Dr. Trenchev [Podkrepa leader] pointed out that the joint actions are not aimed at prompting ethnic tensions, as the Bulgarian Socialist Party claims. No one wants a second Bosnia in the Balkans, he said.

Bulgaria: BSP Member Explains Opposition to Cabinet

AU0208163596 Sofia KONTINENT in Bulgarian 1 Aug 96 p 7

[Interview with Aleksandur Marinov, former chairman of the BSP Sofia organization and former deputy chairman of the Democratic Left parliamentary faction, by Kameliya Stancheva; place and date not given]

[FBIS Translated Excerpt] [Stancheva] Mr. Marinov, the Bulgarian Socialist Party [BSP] parliamentary faction finally accepted your resignation, and you are no longer its deputy chairman. Did you really resign, or were you forced to resign?

[Marinov] I resigned the day Ivan Granitski [former television director] was dismissed. My resignation was prompted by the manner in which he was dismissed, because such actions are becoming a dangerous practice in our circles.

I cannot be responsible for a parliamentary activity, such as parliamentary control, when it has no real content. I maintain that we do not control the government. Instead of protecting voters' interests, we are trying to prove that the cabinet and the prime minister are always unconditionally right.

I do not approve of this government's policy, and I do not approve of most of its actions and members. I cannot be a member of a leadership that is expected to implement this policy.

[Stancheva] Then why haven't you demanded the resignation of the cabinet itself?

[Marinov] A resignation must be demanded responsibly, not with separate voices. I think each of us should assume personal responsibility rather than hide behind collective decisions. I have repeatedly said over the last three months that Bulgaria needs a new cabinet and, naturally, a new policy. The BSP needs a new manner of political behavior. [passage omitted]

[Stancheva] The government is a BSP government. You are a member of that party. Would you leave it?

[Marinov] As a BSP member of the National Assembly and a party member, I strive to change the existing situation. If the possibilities for doing so are exhausted, then naturally I will ask myself the question you are asking me now. [passage omitted]

[Stancheva] I do not understand how you can want to remain a party member and yet oppose the government. On whom do you rely?

[Marinov] I have other kinds of support that are more valuable. I have support in the BSP and in other circles, and I rely on this support. [passage omitted]

[Stancheva] Would you support the opposition if another vote of no confidence is proposed?

[Marinov] Bulgaria's situation is such that the question should not be with whom are you allying but why. I am prepared to ally with anyone who is proposing an idea or enterprise that will benefit Bulgaria.

Bulgaria: Videnov Reportedly Acts Against OSD Attack

AU0508110696 Sofia DEMOKRATSIYA in Bulgarian 3 Aug 96 p 4

[Article by Ekaterina Nikolova: "Alliance for Social Democracy To Be Investigated for Splitting the BSP"]

[FBIS Translated Text] Sofia—Zhan Videnov will ask the All-Party Control Commission of the BSP [Bulgarian Socialist Party] to investigate why the OSD [Alliance for Social Democracy] Political Council wants to remove him from the leadership of the party and the state. The BSP leader is reported to have declared his intention at the meeting of the BSP Executive Bureau on the evening of 1 August, following a row on the issue that lasted several hours. Videnov is reported to have lost his temper during the discussion of a memorandum submitted by Vasil Kalinov, deputy chief of the BSP's Organizational Department, which insisted that the Control Commission should assess the party conduct of Kyuranov's people. [Chavdar Kyuranov is leader of the OSD faction]

Sashka Karakasheva, chairman of the All-Party Control Commission, is reported to have promised that the commission will demand copies of the report "The Alternative—A New Policy, a New Government" and the stenographic record of the OSD meeting. She is said to have assured Videnov that even without his letter the commission will investigate the case. The prime minister reportedly described as a public denunciation the admissions in the OSD document that the circle of friends and Oriongate have destroyed the government. The OSD was reportedly accused of creating a party within a party.

At the Executive Bureau meeting, Yanaki Stoilov and Nikolay Kamov are reported to have leapt to the defense of the OSD, declaring that the scandal was due to the unconsidered statement made by Andrey Raychev. According to them, the question was a political one, upon which only a BSP plenum might adopt a ruling. Infuriated, Videnov is reported finally to have demanded that the Executive Bureau adopt a decision on the case and withdrew his order that the OSD should be called in to the BSP Organizational Department to give an explanation.

Bulgaria: Liberals Party To Support Pirinski in Election

AU0208193396 Sofia Khorizont Radio Network in Bulgarian 1700 GMT 2 Aug 96

[FBIS Translated Text] Today, Zhan Videnov and Petko Simeonov, the leaders of the Bulgarian Socialist Party and the Bulgarian Liberals Party respectively, signed a political agreement confirming the desire of their two parties to cooperate. Both parties will support the Pirinski-Marazov candidate team in the forthcoming presidential elections. The agreement also elucidates the conditions for the two parties' joint participation in the next parliamentary elections.

Bulgaria: Kostov Explains Changes in Election Platform

AU0408200796 Sofia STANDART NEWS in Bulgarian 1 Aug 96 pp 9-10

[Interview with Ivan Kostov, chairman of the National Coordinating Council of the Union of Democratic Forces, by Valeriya Kalcheva; place and date not given: "Bulgarian Socialist Party Is Capable of Destroying the Country and Then Expiring on Top of the Ruins"]

[FBIS Translated Excerpt] [Kalcheva] Mr. Kostov, how do you interpret the slogan of Petur Stoyanov's election campaign—"A New Beginning"? Some people in the SDS [Union of Democratic Forces] say that it is not defined clearly enough.

[Kostov] This "new beginning" has produced results, and we ought to take a look at them: We have a single united candidate for the presidential elections; we have a united opposition that supports him; and the SDS has a strong, well-structured organization that won the presidential primaries very convincingly against President Zhelev. Thanks to our opening up to the people, we have the clear, pragmatic, and positive message of Petur Stoyanov.

The "new beginning" is based on the idea that the opposition should remain united after the presidential elections and produce a democratic alternative government for our country.

[Kalcheva] What old ideas have you rejected?

[Kostov] Many ill-wishers of the SDS want the coalition to continue to be confrontational and purely "anti." However, "the new beginning" has left behind all the destructive processes and deadly warfare between the SDS parties and organizations. The people, who learned their lesson from the defeat of 1994 and suffered greatly from many confrontations, have now rejected such behavior. Also part of the "new beginning" is the idea that we have united together to achieve something in politics. We are united by the political desirability of doing something for Bulgaria, of imposing a new political style, one radically different from the style of one-party rule or the rule of some circle of friends, the kind of monster into which Zhan Videnov's administration has been transformed. It is clear that that the BSP [Bulgarian Socialist Party] wants to push the SDS into that part of the political scene where the BSP thinks it should be. However, the SDS has changed. It has achieved the unification of the opposition, whereas the BSP is not united.

[Kalcheva] Will you form a broadly based administration, or one limited to the framework of SDS supporters and members? This is one of the main problems on which you want the National Coordinating Council to adopt a position.

[Kostov] The SDS must base its administration upon a broad democratic foundation of national consensus. This is a new style of government that I am talking about; I am not talking about loyal subservience or faithful Bolshevik communists in all local posts, as is the case with the BSP, because this is simply inapplicable to a democratic force like the SDS. The formula around which the National Coordinating Council has united is a national consensus on a broad democratic foundation, but one that categorically excludes the BSP.

[Kalcheva] Do you foresee any changes to the main points of your 1994 program?

[Kostov] We plan to further develop this program as an alternative one for the government. It must be a program focused on emerging from the economic crisis, from the present disaster.

[Kalcheva] Have you discussed the possibility of participating in the next parliament elections as a united opposition with a single list of candidates?

[Kostov] No, this is the first time I have heard of the idea.

[Kalcheva] How do you view a possible future coalition government of the united opposition?

[Kostov] A broad national consensus of democrats implies precisely such a coalition government.

[Kalcheva] Do you envision any consultations with your partners in the People's Union and the DPS [Movement for Rights and Freedoms] on the government's program?

[Kostov] The SDS must have its own government program. It does not need any consultations on this subject. This is not a matter of arrogance but an expression of the ideas and interests of the SDS supporters. The idea of consulting other political groups on our program is inappropriate, because this implies an attempt to integrate them, to include them in the SDS. They themselves may not want this. [passage omitted]

[Kalcheva] How are your partners reacting to the agreement on the presidential election campaign, which sets a ratio of 2:1 for posts on the campaign teams?

[Kostov] This is the ratio in parliament, and it was the same in the last elections. Some people may not accept it, but we must face realities. This is how work during the presidential campaign will be divided. I will be glad if the People's Union and the DPS carry out one-third of this work. The SDS has taken on much more—twice as much work—and it will do more besides. [passage omitted]

[Kalcheva] Mr. Kostov, the National Executive Committee is accused of imposing ready decisions on the SDS National Coordinating Council. Do these criticisms have any foundation?

[Kostov] For a year and a half now, the National Executive Committee has been proposing ready decisions to the National Coordinating Council, which then discusses, amends, rejects, or adopts them. There are grounds for criticism, however. For example, the National Executive Committee supported the chief editor of DEMOKRATSIYA in a difficult situation and declared its position before asking the National Coordinating Council for its view. However, the National Executive Committee is responsible for Petur Stoyanov's campaign and for the Union of Democratic Forces, and it is entitled to its own opinions. I do not believe that even those who declare that in this instance the National Executive Committee imposed its decision on the National Coordinating Council will deny the National Executive Committee the right to adopt a political stance on a specific issue. Anyway, the National Executive Committee adopts such positions all the time. [passage omitted]

[Kalcheva] How do you think the problem with Pirinski will develop?

[Kostov] Pirinski cannot run in the elections, because he does not meet the requirements of the Constitution. The Central Electoral Commission cannot register a man to run for president who is less than 40 years old or who has not lived in Bulgaria for the last five years. If the case reaches the Supreme Court, it cannot not allow Pirinski to run in the elections. For this reason, I cannot understand the meaning of their reaction: "We will issue a political response to the Constitution!" How does one make a political response? One does it by a coup, by using guns.

[Kalcheva] What is your comment on the updated budget?

[Kostov] It is not a budget update, it is a new Budget Act. It is an admission of disaster. At the end of this year, we will have an update of this second budget that is being adopted now.

[Kalcheva] Can you see an end to the Videnov cabinet in the foreseeable future?

[Kostov] Everyone will suffer before it comes to an end because the BSP is capable of destroying the country under its feet and then expiring itself on top of the ruins of Bulgaria. The BSP has always had this attitude toward Bulgaria, as something that has to be exploited, as something that has to be mistreated. No one has allowed himself to inflict this humiliation on the Bulgarians.

[Kalcheva] If you were in Videnov's position now, what would you do?

[Kostov] I would resign and assume the entire responsibility for what has been done to date, so as to save the country.

[Kalcheva] Do you see any danger of a state of emergency being declared in Bulgaria?

[Kostov] The rulers should answer this question. Nevertheless, one can clearly see the measures that they are taking.

[Kalcheva] Is there any likelihood of the people demanding such a step, out of fear of crime and terrorism?

[Kostov] Yes, in the eyes of the exhausted and tormented people, this may seem an idea for salvation. Under such conditions, a Hitler figure always appears.

[Kalcheva] Does Bulgaria have its own potential Hitler?

[Kostov] Since the Grand National Assembly, we gave Videnov the nickname of Hitler Jugend. Once he has lost his mind, he is capable of anything. Personally, I will not be surprised, because there is nothing holding him back. [passage omitted]

Bulgaria: Gechev Predicts Fall of Interest Rate to 40 Percent

AU0508120696 Sofia DUMA in Bulgarian 3 Aug 96 p 7

[Article by Galya Kirilova: "In 2005 We May Be Able To Survive Without the IMF and the World Bank"]

[FBIS Translated Text] The program for structural reform until the year 2005, which was presented at a news conference held at the Council of Ministers yesterday, predicts that interest levels will fall to 40 percent at the end of 1996. (Details of the program will remain secret until the cabinet finally approves it and submits it to parliament). The program also plans a creeping devaluation of the lev, but this is not linked to a creeping peg exchange rate. The goal is to prevent leaps in the dollar rate, Deputy Prime Minister Rumen Gechev said in his comments on the program. According to him, in the first half of 1996, 52 percent of budget outgoings went on servicing the national debt, but this immense percentage should be reduced by cutting the interest rates. Gechev accepts the argument of Lyubomir Filipov [governor of the Bulgarian National Bank, BNB] that the interest rate should be reduced only when inflation falls to single figures, but believes that the BNB has compensation mechanisms at its disposal and can reduce the rate even in August.

According to the BNB's deputy governor, Dimitur Dimitrov, the BNB cannot indulge in experiments. In his view, the proceeds from the cash privatization may help the foreign exchange reserves. If the BNB cuts the base interest rate, Dimitrov asserted, some budget indices may be fulfilled, but the parameters of the agreement with the IMF will not be observed. On the other hand, Gechev predicted that a delay in cutting the base interest rate beyond August will have negative effects on Bulgarian business.

Petur Botusharov, Bulgaria's representative at the IMF, said that the second installment of the IMF loan will arrive in the middle of September, instead of at the end of the month. It is expected to amount to 80 million Special Drawing Rights, which is about $115-120 million. At the end of August or early in September, Anne McGuirk will visit Bulgaria to check on the fulfillment of the structural reform. Gechev said that the government has no intention of administering the forex market. Citizens will continue to be able to import foreign currency and manage their holdings freely, while the government will only increase the legal guarantees. Our foreign exchange controls will remain some of the most liberal in Europe. Botusharov commented that Bulgaria is an IMF member and has to observe Article 14 of the IMF Statute, which concerns liberal foreign exchange regulations, otherwise it risks ruining its relations with the IMF and the World Bank.

We cannot rely on receiving tranches from the IMF indefinitely, but we hope that, in 2005, there will be no need for refinancing from the international financial institutions, Deputy Prime Minister Gechev said. He promised that the GDP would grow by 1.5 to 2 percent as early as in 1997.

If the State Savings Bank [SSB] is converted by law into a commercial bank, Gechev said, deposits in the bank will be fully guaranteed for three years. He believed that if the SSB starts accepting foreign currency deposits, it will receive $300-400 million of the foreign currency now held by the population. These deposits would also be fully protected. However, the SSB would not become a commercial bank before the end of 1997, Gechev said.

Bulgaria: Dachev Opposes Privatization of Defense Plants

AU0508095596 Sofia 24 CHASA in Bulgarian 4 Jul 96 p 2

[24 CHASA staff report: "Military Plants Will Not Be Sold"]

[FBIS Translated Text] The moratorium on privatizing plants in the military-industrial complex (MIC) should be extended to permit their stabilization, Industry Minister Lyubomir Dachev declared.

At present, the military plants are operating at a loss, and there is no sense in selling off well-equipped production capacities for low prices because of their temporary financial difficulties, Dachev said. According to him, engineering companies like Metalchim should not be removed from the MIC, because they form the foundation of the sector. Dachev considered that the privatization of the companies in the MIC that are in liquidation might be suspended, because some of them are connected with requirements that arise in exceptional cases.

However, Former Industry Minister Ivan Pushkarov believed that the moratorium should be reviewed, because the military industry cannot remain untouched by the general trend toward liquidation and restructuring. "This problem cannot be postponed indefinitely," Pushkarov claimed, adding that as things are now the MIC is gradually collapsing financially, economically, and technically.

This moratorium has performed its role and saved the MIC from annihilation, Deputy Trade Minister Borislav Georgiev believed. However, in his view, the issue of liquidation and privatization of the MIC affects the means whereby we achieve our national security. On the other hand, he said, the military and economic potential of these plants regarding exports would be limited.

"I consider that the possible liquidation of individual, separate plants and types of production in the MIC should be carefully analyzed, with a view to preventing errors," Deputy Defense Minister Stoyan Shatov stated. At the moment, these firms are not included in the list of companies for mass privatization, but such a possibility does lie within the powers of the state and parliament. However, according to Shatov, if this were to happen, it would be better for the Army Privatization Fund to handle them, because the members of this fund are best acquainted with the problems of the MIC.

Czech Republic: Defense Minister Receives Bomb Threats

AU0208170196 Prague MLADA FRONTA DNES in Czech 2 Aug 96 p 2

[Article by "gag": "Vyborny Is Receiving Bomb Threats but Refuses Bodyguards"]

[FBIS Translated Excerpt] Prague—Defense Minister Miloslav Vyborny (Christian Democratic Union-Czechoslovak People's Party) has received several anonymous letters threatening bomb attacks. A strict regime of control of both mail and visitors was, therefore, introduced in the ministry building. The ministerial cabinet is at present analyzing the content of the letters to assess the actual danger. [passage omitted]

At the same time, Vyborny refused military-police bodyguards—used by his predecessor Vilem Holan—immediately upon assuming office. Despite the threats, Vyborny does not plan the return of the Army bodyguards, who experts consider to be an absolute elite force, to the Defense Ministry. At present, only his driver, a career soldier who has undertaken a basic self-defense course and training in shooting, protects the minister in case of an attack. [passage omitted]

Czech Republic: Officer Discusses Duties of IFOR Troops

AU0208141796 Prague LIDOVE NOVINY in Czech 2 Aug 96 p 7

[Article by Pavel Novotny and CTK: "The Soldiers Are Already Performing Their Daily Duties"]

[FBIS Translated Text] The Czech troops in the multinational IFOR, who arrived in Bosnia on Wednesday to replace their fellows in arms, have already performed their daily duties. Battalion press officer Oldrich Holecek stated this for LIDOVE NOVINY.

According to Holecek, the new arrivals have it easier than their colleagues with higher seniority. "All they need to do is to unroll their sleeping bags," Holecek added. He says the hardest work was done by the Czech soldiers in winter, when they built their camp in inclement climatic conditions, sometimes literally on a snow-covered meadow.

At present, the soldiers are allegedly troubled by high temperatures combined with high humidity. Otherwise, optimism dominates among the troops. "One stage ended, a new one begins. We hope it will also pass in peace," Oldrich Holecek said. So far, he says, the military bodies of both hostile parties—the Czech troops are separating the territories of the Serbs and the Muslims—have cooperated well with the Czech commanders.

The press officer admitted, however, that, in connection with the general elections taking place in Bosnia this September, "there is a certain danger." According to Holecek, it also is likely that the Czech soldiers will help to guarantee a smooth course of the elections on the territory in northwestern Bosnia entrusted to them. They should even assist directly in the polling stations. Problems could arise when the Muslim citizens from the "other side" go to vote on the territory under the control of the Bosnian Serbs.

In total, approximately 40 percent of the 6th Mechanized Battalion of the Czech Army was replaced in Wednesday's rotation. The change concerned, above all, the members of the contingent who came here from the former UNCRO [UN Confidence Restoration Operation in Croatia] mission last April. The rotating part of the IFOR battalion consists of 60 officers, 112 warrant officers, and 178 NCO's, with an average age of 28.5 years. There are 143 career soldiers, and 207 members of the unit came from the reserves. The unit also has a chaplain with the rank of sergeant major.

In September, the training of additional troops is to start in Cesky Krumlov. It will involve approximately 40 soldiers, who will move to Bosnia to join the unit during October.

Czech Republic: New Deputy Health Minister Tapped

AU0208133696 Prague MLADA FRONTA DNES in Czech 2 Aug 96 p 2

[Article by "rea": "Strasky Chooses Heller From the Hospital Association for Deputy Minister"]

[FBIS Translated Excerpt] Prague—Health Care Minister Jan Strasky, who wants to form a new stable team of associates after being confirmed in the post, told his closest subordinates how such a team should look.

According to the latest version, which the minister refused to discuss officially, Josef Heller, deputy chairman of the Hospital Association Board, who is well known to all physicians and who at present works as director of the Vysocany hospital in Prague, is to become new deputy health-care minister.

Heller, a Civic Democratic Alliance member, who will be the very first representative of a coalition party other than the Civic Democratic Party in the sector's management, is to be in charge of economic issues and management of large hospitals. Heller himself confirmed the possibility.

So far, three deputy ministers remained in their posts—Josef Suchopar, Ales Dvoulety, and Antonin Pecenka. Kamila Kalina is definitely leaving, and his post of deputy in charge of health-care concepts is being terminated. [passage omitted]

Slovakia: Meciar-Kohl Meeting Possible 'This Year'

AU0208131596 Bratislava NARODNA OBRODA in Slovak 1 Aug 96 p 1

[Article by Zita Sujova: "A Meeting Between V. Meciar and H. Kohl Should Take Place This Year"]

[FBIS Translated Text] Bratislava—According to Foreign Ministry State Secretary J. Sestak, a meeting should take place this year between German Chancellor Helmut Kohl and Slovak Prime Minister Vladimir Meciar. He said at a Movement for a Democratic Slovakia press briefing that one of the first steps toward this will be the visit by German Foreign Minister Klaus Kinkel to Slovakia planned for the beginning of autumn. In reply to a comment from NARODNA OBRODA that H. Kohl has so far refused to meet with V. Meciar, J. Sestak said: "I would not qualify this as a refusal to meet. We have not received any such official signal. We have never been told no; it has been said that they are considering the time and other aspects."

He said that the ministry has not taken any "specific" steps to ascertain the background to the recent statement from H. Kohl that the Slovak Republic's conditions for admission into the EU have not only not improved, but have worsened. He discussed the matter with German Ambassador Heike Zenker, who "was pleasantly surprised that we did not ask, because it is not necessary—it goes without saying—to make light of or even dramatize this statement." J. Sestak added that he sees no reason "for us to dissect this matter" and thinks that the two statesmen will clarify it at their meeting "at the highest level." According to him, "being on the same starting line" with the other associated countries is important. And when the grading is done, there will be talks about what has been fulfilled and what has not been fulfilled. "I am absolutely convinced that in view of its results Slovakia will be among the first countries to be admitted," he added.

Slovakia: Opposition Criticizes Meciar on Privatization Move

LD0508122996 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 5 Aug 96

[FBIS Translated Text] It is not only the public, but also the politicians who have been asking a number of questions in connection with the fact that the National Property Fund [FNM, government's privatization agency] sold off 41 companies last week despite the written assurance given to the [opposition] Party of the Democratic Left (SDL) by Vladimir Meciar, prime minister and chairman of the Movement for a Democratic Slovakia [HZDS], that privatization will be suspended until the restructuring of FNM bodies has been carried out.

These issues were discussed by the SDL leadership in Bratislava today. A few minutes ago, SDL Deputy Chairman Lubomir Fogas made the following statement for journalists:

[Begin Fogas recording] The SDL has always strongly demanded and continues to demand that the privatization of national property be monitored by parliament and by the public. Even during the crisis, generated precisely by privatization, the SDL demanded that privatization decisions also be monitored.

Vladimir Meciar, chairman of the HZDS and Slovak prime minister, made a statement saying that privatization will continue only after the FNM has been restructured. However, privatization has continued and the evidence of this is the FNM Presidium's decision to privatize 41 companies.

The SDL leadership regards this move as a demonstration of the lack of Vladimir Meciar's political credibility. It has therefore decided to make public the statement made by the HZDS chairman and prime minister. You will be able to read it in the press tomorrow. [end recording]

Hungary: Horn Discusses NATO, Regional Relations

AU0408132396 Vienna DIE PRESSE in German 3 Aug 96 p 3

[Interview with Hungarian Prime Minister Gyula Horn by Andreas Unterberger; place and date not given: "Hungary's Entry Is Irreversible"]

[FBIS Translated Text] [Unterberger] Hungary is expected to be one of the first new members of NATO. By contrast, Slovakia and Romania, countries with which Hungary has differences of opinion, are not expected to be in the first group. Are you pleased about that?

[Horn] There is every chance that we will become a member of NATO and that the negotiations will begin in 1997. I think that our entry is really an irreversible process. However, our neighbors must be given the same chance. There are no foreign policy differences between us and Slovakia or Romania. There is occasional friction in our bilateral relations because the rights of minorities in those countries, especially Hungarian minorities, are not being particularly safeguarded.

Minority Problems

[Unterberger] In what way?

[Horn] Slovakia's parliament has ratified the basic treaty with Hungary, but there have been no meetings involving Slovakia at which the moves against minorities were not discussed. We have protested the Slovak law on the official state language because it places minorities in a difficult situation. We have demanded a law to protect minority languages.

[Unterberger] And in the case of Romania?

[Horn] We are seeing a similar source of friction because the teaching law, for example, discriminates against minorities. We have held several rounds of negotiations with Romania on a basic treaty.

We think it is important for our neighbors to participate in integration, regardless of the time frame. It will bring stability to the region. However, participation in these organizations also entails very serious obligations.

"Partners on All Issues"

[Unterberger] Is the toughest issue with regard to Romania the Council of Europe resolution that also includes autonomy?

[Horn] Resolution 1201 adopted by the Parliamentary Assembly of the Council of Europe includes the right to exercise individual human rights within the context of a community and it applies to the areas of teaching, language, culture, and administration. This resolution has been included in the basic treaty with Slovakia. We are, of course, also calling on Romania to do the same.

[Unterberger] If Hungary joins NATO, but Austria does not, will that be to your disadvantage?

[Horn] We are not indifferent to this; we do not feel any regrets at the same time. Austria is a member of the EU, is doing much to bolster peace in Europe, and its efforts do not differ from those of NATO. Austria is neutral, but at the same time, it has an obligation to major international goals. That does not give rise to any conflicts for Hungary. For us, Austria is a partner on all international issues, and that will not change if we join NATO.

[Unterberger] NATO is a military alliance that conducts maneuvers. What will happen if troops from Germany need to go to Hungary and are unable to transit Austria?

[Horn] That has not created any problems to date. It must be stressed that NATO is not only a military alliance, but also a defensive alliance. The members of NATO are obliged to render defensive solidarity vis-a-vis each other. Since its formation, NATO has not sought to intervene in any country. However, there are crazy nationalists and others in this world who can threaten peace.

[Unterberger] How many U.S. troops are currently stationed in Hungary because of the peace mission in the Balkans?

[Horn] There are many thousands of American troops in Hungary. The bases should exist as long as they are needed.

[Unterberger] Following the end of the fighting in the Balkans, how do you view the situation of the Hungarian minority in Yugoslavia's Vojvodina region?

[Horn] The stabilizing of the situation in Yugoslavia lies in the interest of the Hungarian minority there. A Serbian amnesty law would be a positive and important move. No one should be punished for refusing to perform military service during the war.

There are threats to which the Hungarian minority is being exposed: Citizens from other areas of Yugoslavia are continuing to be settled in Vojvodina. These people are being settled on a massive scale and that inevitably has negative repercussions for the local population.

[Unterberger] How would you compare or place in ascending order the situation of the minorities in the three neighboring countries of Slovakia, Romania, and Yugoslavia?

[Horn] As a rule, I do not try to place things in some kind of ascending order. In the case of Slovakia, the problems are not primarily of a material nature, but problems relating to language, culture, and religion. It would be a good thing, if, for example, Hungarian religious dignitaries could be elected. If it is correct that Slovakia is preparing a major administrative reorganization, that will also be a threat to the Hungarian minority. There are problems of this or some other kind everywhere.

[Unterberger] Western observers believe that Hungary has not been the following the path of reform with the degree of speed that was expected compared to, for example, the Czech Republic.

[Horn] According to neutral observers, Hungary occupies first place regarding the radical implementation of reform. Today, the private sector already accounts for 73 percent of GDP. The balance of payments situation and deficit levels have also improved. Third, Hungary has launched reforms of the pension, health care, and education systems. These are reforms that are still to be implemented in the other countries. On the other hand, we have not achieved the growth being experienced by Poland or the Czech Republic, but things have not ground to a halt. There has been no overheating of the economy, but well planned growth.

Over 50 percent of all foreign investment in Central Europe is located in Hungary. There is over $14 billion in foreign capital in Hungary; there are 20,000 joint ventures. Of the 40 largest multinationals in the world, 30 are present in Hungary. We can defuse major social tensions.

[Unterberger] Your automobile accident before the last elections prompted much speculation about whether it might not have been an attempt on your life. Do you know today any more about what happened?

[Horn] It is not something that I am busying myself with. Whether it was an accident or not will probably never be fully clarified. I have recovered from the consequences, and today's tasks require my attention and not what happened in 1994.

Hungary: NATO Office Denies Russian-U.S. Deal

LD0508114896 Budapest Kossuth Radio Network in Hungarian 1000 GMT 5 Aug 96

[FBIS Translated Text] Nonsense!—This is the first reaction in Budapest to the U.S. press report that Russia has finally set the price for NATO enlargement, that is in exchange for accession of the Czech Republic, Poland, and Hungary, Russia has requested and—allegedly—been given a free hand in the Baltics. Peter Attila Nagy reports:

[Nagy] The director of the North Atlantic information center recalled: The United States did not accept officially, in the past either, the Soviet Union's annexation of the Baltic states. Miklos [?Deler] [director of the information center] was of the opinion that there could be no question of such a deal following the breakup of the Soviet Union.

[Begin [?Deler] recording] It would cause such international indignation that a deal of this type is not one of the possibilities that could enter the picture. Developments to date, the developments of the past five to six years, have shown that the Russians are less inclined to regard the Baltics as belonging to their sphere of influence. [end recording]

[Nagy] The director mentioned that NATO did not plan to station nuclear weapons in the new member countries. He considered it possible that the organization might send soldiers to the Central and East European countries for service at some frontier bases.

[Begin Deler recording] The presence of only a very limited number of soldiers would be necessary in these new countries—this does not constitute a stationing of troops. [end recording]

Hungary: KDNP Official Assesses Minority Policy

AU0408193096 Budapest UJ MAGYARORSZAG in Hungarian 2 Aug 96 p 3

[Interview with KDNP Deputy Chairman Laszlo Surjan by Laszlo Daroczi; place and date not given: "We Want Firmer Support for the National Minorities—Self-Praise and Contradictions—The Cabinet's Desperate Efforts"]

[FBIS Translated Text] The chapter on national minorities in the government's "half-term" report is not short of self-praise, although it often contradicts the facts. For example, before accepting the law on public and higher education—this is what the Democratic Union of Hungarians in Romania [RMDSZ—UDMR in Romanian] objected to—the government did not take into consideration "the specific interests, which exert an indirect influence, of Hungarians living beyond the border," contrary to what was written in the report. Nevertheless, after the Hungarian-Hungarian summit in Budapest in July, this is precisely the area where progress can be seen in the government's policy. We asked Laszlo Surjan, deputy chairman of the Christian Democratic People's Party [KDNP], responsible for foreign affairs, to assess the "half-term" report.

[Daroczi] According to the document, which does not mention the July statement, "the government continues to give priority to supporting the efforts of Hungarians living beyond the border."

[Surjan] The cabinet was desperately trying to explain that all three priorities [not further specified] were of equal importance, but the past two years have shown that they are not. In our experience, the government has taken the otherwise correct principle that the lack of good-neighborly relations hinders euro-atlantic integration to the extreme, and it has not spoken up loudly, clearly, or often enough. It is not true that a clear and value-oriented stance would harm Hungary's international image.

The Hungarian-Hungarian summit brought about a major change. The main reason is that both coalition parties have now accepted certain propositions which they seemed to reject in the past. For example, the statement "our foreign policy interests cannot mean that we give up the interests of the Hungarians beyond the border" is a sort of commitment. However, of the government statements following the summit, I find the "this is not what we meant" type, somewhat retreating, remarks extremely unfortunate. We must not pick up this habit (of Bratislava and Bucharest), and the rejection should be much more emphatic—instead of giving explanations, we should reject the construed interpretations. It is good that the Hungarian governing parties have come to an understanding with the opposition, and it is not the beginning of revisionist politics. All political forces should be striving to make the international partners understand it, rather than interpreting the July statement with the Slovak distortions.

[Daroczi] The report admits that the situation of the Hungarian minorities has deteriorated in certain neighboring countries. Do you accept the following statement: "Hungarian diplomacy has done all it could to ensure that the international documents on national minorities be accepted in a form which is most suitable for the domestic minorities and the Hungarians living beyond the border?"

[Surjan] As regards the various key points of foreign policy, the biggest debate between the opposition and the government parties is over the issue of whether the policy of basic treaties serves the interests of two goals out of the three and, indirectly, the interests of the third one, too. The government keeps asserting that the basic treaty with Slovakia has had a positive influence. The opposition often says that the situation has become much worse. Both statements are true in a way. A document exists for the Hungarians in Slovakia to which they can refer, and they welcome this fact. It is not right for us to want to take it away from them. At the same time, it is tragic that they need this life preserver. And since they do need it, it cannot be claimed that the basic treaty has solved anything.

One has to act quickly and firmly in all dangerous situations. The threat of restoring the death penalty, the redrawing of the administrative borders, and the amendment of the Constitution are serious Slovak threats which do not allow us to sit back idly. In future treaties, we have to formulate the elements of guarantees much more markedly than in the past. In addition, we have to make good use of the existing possibilities. A party which found it necessary to oust the Gypsies from the country would not be granted a permit in Hungary while, in some neighboring countries, political forces whose goal is to get rid of the Hungarians are legally functioning, even in governmental positions. This has to be seen clearly and, when we are forced to give explanations at international forums, we must point out this difference.

[Daroczi] "Information aimed at foreign countries places emphasis on letting them know about the legal violations against the Hungarian minorities and on making the minorities' efforts internationally legitimate," the report says.

[Surjan] Normally, national propaganda should be positive. Diplomacy's special tools can be used to call attention to problems between countries, but otherwise we have to make ourselves accepted and liked by the world. Unfortunately, certain groups spread historical falsifications, in Slovakia, Romania, and unfortunately, even in Ukraine. We must make the falsification of history punishable in the same way as, for example, the forgery of money, because in the same way forgery initially provides a huge profit, the falsification of history also has very tangible benefits. We must place ourselves in the world of West European thinking: For the falsifiers of history, it is a huge challenge that the West can hardly tell the nations of our region apart. We should definitely put more energy into—and spend more money on—national propaganda.

As for Hungarian national propaganda, we should also make better use of our economic interests. Hungarian capital should, for example, be an organic part of Slovak development through creating work places. In addition to feeding Hungarian citizens and giving them social and financial security, the development of the Hungarian economy also ensures the survival of the Hungarian nation. When the Hungarian Government is considering export subsidies, it should give preference to the regional approach.

[Daroczi] To touch upon our domestic conditions, the New York-based Human Rights Watch organization—probably unaware of the cabinet's self-appraisal—rather severely criticized the Hungarian Governments' Gypsy policy a few days ago.

[Surjan] We have not yet managed to draw up an effective program to solve the problems of the Gypsies. At the same time, this issue is part of the complicated general human rights area: We are dealing with the problems of poverty, unemployment, and crime, with Hungarian citizens. In spite of all stated efforts, no equality of opportunity exists. We need programs that eliminate the differences in the opportunities. This task demands a large amount of self-moderation from all sides. It is very dangerous to exaggerate the existing phenomena because it only increases the tension when someone uses appropriately strong expressions in reaction to unrealistic attacks.

Hungary: Smallholders Party Criticizes Economic Policy

AU0208204396 Budapest REFORM in Hungarian 30 Jul 96 pp 12-13

[Interview with Bela Szabadi, head of the economic policy cabinet of the Independent Smallholders Party, by Laszlo Deaki; place and date not given]

[FBIS Translated Excerpt] [Deaki] What mistakes did the previous governments make?

[Szabadi] We do not feel the change in the regime has been real; this task awaits the Independent Smallholders' Party [FKGP]. So far, only formal steps have been taken. Take privatization, for example. There was an expensive privatization rather than the cheap and effective reprivatization suggested by the FKGP. The result is miserable: Most state property has disappeared, and privatization has not been carried out in the form of an open competition. The new owners have been chosen without real selection. Thus the change in ownership was not followed by the anticipated improvement in efficiency. We could have taken a completely different route. For example, it was not necessary for our population's living conditions to deteriorate to such an extent. This country had been teetering on the brink of insolvency for years, and we had hardly any hard currency reserves. With the change in the regime, this situation improved considerably, as a considerable amount of capital flowed into Hungary. At that time, we had a serious chance of easing the debt burdens as a political gesture. However, the prevailing government did not make use of this opportunity at the proper time. On the other hand, a more successful privatization could have created ample sources for restructuring. However, compared with the value of sold property, we had little income from privatization as the expenses were very high.

Other mistakes were made as well. Take the bank and debt consolidation, for example. It was poorly conducted and cost us 345 billion forints [Ft]. Its debt burden stood at about Ft120 billion last year. I could also mention the bankruptcy law that also eliminated viable and technologically developed firms. Whole industrial sectors broke down, thus exports decreased and the demand for imports increased considerably. [passage omitted]

[Deaki] In your view, where are the breaking points today?

[Szabadi] The FKGP economic concept differs markedly from others' concepts. We say that the various tasks can only be carried out in conjunction with each other and in a coordinated fashion. Creating the conditions of economic growth is a determining factor of these tasks. Hungary is simply condemned to growth because there is no way out without growth. The question is not whether we will lag behind in the international field, because we are already lagging behind and our economy has become peripheral. At the same time, we still have opportunities to start economic growth. [passage omitted]

[Deaki] What specifically would you do?

[Szabadi] As our program details, we would reduce taxes and money withdrawals. We would reduce the social security payments by 10-15 percent to 25-27 percent. We would make the rules clear and consistent, would introduce an effective control-sanctions system, and would enforce this system. This would improve the profitability of the legal economy, and social security would also have bigger incomes.

[Deaki] Would you also ask for an easing or rescheduling of Hungary's debts?

[Szabadi] Our program could be carried out profitably even if it failed to achieve results in this area. As for the conditions for this, we can only tell when we are in power. Anyway, debts mean that our economy does not work properly. Therefore, we cannot speak of long-term solutions without eliminating the causes. [passage omitted]

B-H: Commentary Sees Ganic Visit to Zagreb as 'Failure'

AU0408202596 Zagreb VJESNIK in Serbo-Croatian 2 Aug 96 p 2

[Commentary by Aleksandar Milosevic: "Ganic's Escapades in Zagreb"]

[FBIS Translated Text] Ejup Ganic's visit was supposed to be his great political and diplomatic success. However, his conversation with the Croatian president and the press conference he held afterward at the Bosnian Embassy in Zagreb turned into a political scandal and, of course, a failure for Ganic and those whom he was representing.

His categorical requests for an instant dismissal of all institutions of Herzeg-Bosnia were a pure coercion of Zagreb and the Bosnian Croats. His intent was to achieve an immediate political success that he had failed to achieve during the war. However, quite interestingly, Ganic came to Zagreb alone. Nobody knew what he would say and what he would ask of President Tudjman, not even Federal leader Kresimir Zubak or any other Croat in a prominent position in the Federal Government.

Ganic thought he had a trump card in his hand. He pushed aside all other problems concerning the Muslim-Croat relations in the Federation. The only thing he paid attention to was the existence of Herzeg-Bosnia, the factor that enabled the Bosnian Croats to survive in Bosnia-Herzegovina. However, to be honest, we must say that his attitude was encouraged by certain international factors that wanted the failure of the Dayton agreement, especially because the United States was the main initiator of that document.

What Ejup Ganic did in the Presidential Palace and at the press conference at the Bosnian Embassy is irreconcilable with political and diplomatic conventions. Among other things, he made a very insulting and unacceptable attempt to divide the national body of his host country. He allowed himself to pass judgment and interfere—very openly and rudely—in the internal affairs of his host country.

It turned out that he did this on his own. President Tudjman and President Izetbegovic spoke over the phone after Ganic's press conference. The Bosnian president turned out to have a more differentiated approach to the current problems, especially in light of recent efforts to improve Federal relations by reaching a consensus of the Croats and the Muslims (the same goes for the Mostar case). Possible international and interstate problems are to be solved through the joint Cooperation Council—the institution that Ejup Ganic wanted to remove.

According to indication of some diplomatic circles, Ganic's statements should be taken in the light of Muslim-Muslim relations on the eve of the elections in Bosnia-Herzegovina. The Federal vice president is apparently aspiring to assume the leading position in the political life of the Muslim people in Bosnia-Herzegovina. His statements were obviously aimed at weakening Alija Izetbegovic's position. Sarajevo sources claimed that the United States had nothing to do with Ganic's attitude. What is certain, however, is that Ganic made both the political factors in Croatia and the Bosnian Croats aware that they must be even more consistent in the implementation of the Dayton agreement.

As to the Croat side, Ganic's statements will certainly be remembered as an unpleasant incident. However, that will not impair the intentions and wishes for the further development of mutual understanding between the two peoples in the Federation, nor will it make a compromise impossible. Croats will keep insisting on the principles that will guarantee their survival and give them the status of the equal constitutive nation in Bosnia-Herzegovina.

B-H: Prime Minister Muratovic on Trade With FRY, Elections

LD0408143196 Belgrade TANJUG in English 1343 GMT 4 Aug 96

[FBIS Transcribed Text] Kragujevac, Aug 4 (TANJUG)—The Prime Minister of the Muslim-Croat Federation Hasan Muratovic said Sunday that economic ties with Federal Republic of Yugoslavia should be established first of all in the industries which used to cooperate in the past.

Muratovic told Yugoslav Radio Kragujevac that joint production should be resumed first, to be followed in a second stage by a mutual opening of markets.

The Federation imports everything accross its southern border. It is aware that Yugoslav food processing industry is particularly competitive compared to Western-made products, Muratovic said, and added that the Federation wished to have access to the port of Bar in the Yugoslav republic of Montenegro.

Muratovic stated that the present authorities throughout Bosnia-Herzegovina—both in the Federation and in Republika Srpska—were illegal and that the forthcoming elections would pave the way for their legitimity.

Muratovic agreed with his interviewer that Serbs were in a very difficult position in Sarajevo and the Federation, and noted that Serbs and Muslims cannot be expected to embrace each other after four years of mutual persecutions.

The international police has confirmed that Serbs were subjected to petty crime and threats, Muratovic said and added that he had given this problem his personal attention in the past few days. A joint police force has been established and meetings with representatives of remaining Serbs are held three times a week. The problem will be resolved, Muratovic said.

B-H: HDZ's Rajic, Zubak Address Party Convention

LD0208202696 Mostar Croatian Radio Herceg-Bosna in Serbo-Croatian 1600 GMT 2 Aug 96

[Report by Milan Vego from the fourth convention of the Croatian Democratic Union, HDZ, of Bosnia-Herzegovina in Neum on 2 August, with recorded remarks by HDZ Chairman Bozo Rajic and Bosnia-Herzegovina Federation President Kresimir Zubak]

[FBIS Translated Excerpt] [Vego] The fourth convention of the HDZ of Bosnia-Herzegovina, about which the party's chairman, Bozo Rajic, said in his opening speech that it would promote the victory of the HDZ in the September elections in Bosnia-Herzegovina, started a little before 1200 today. [passage omitted]

The convention continued its work with a report by Bozo Rajic, chairman of the HDZ of Bosnia-Herzegovina, on the work of the [party's] main bodies. Rajic said that the convention was organized at a time of difficulty for the survival of the Croat people in Bosnia-Herzegovina. He stressed that the HDZ was a party of the future, and then reviewed the period since the founding of the party. In connection with this, he said:

[Rajic] This is about the survival of the Croat people on the territory of Bosnia-Herzegovina, a people which is looking for clear answers about itself, its present and its future in the current disintegration, the existing certainties and numerous uncertainties. There is no one to offer authoritative answers but our party, which the Croat people in Bosnia-Herzegovina entrusted with its destiny six years ago, and with which the Croat people continues its path of historic challenge toward the final goal of freedom and equality.

As our party is one with a historic task, the answers requested from it must be given in the form of an objective assessment of what has happened, a realistic assessment of what is, and of guidelines for the future.

[Vego] All this has been done at the cost of the survival of Bosnia-Herzegovina, even if it meant the disappearance of the Croats from the region, he said [as heard]. The chairman of the HDZ of Bosnia-Herzegovina then spoke about the cessation of hostilities between the Croats and the Muslims [in 1994] and the Dayton and Washington Agreements. In these circumstances the third convention of the HDZ was organized, at which Dario Kordic [Bosnian Croat suspected of war crimes by the Hague tribunal] was elected the party's chairman. At the mention of the name of Dario Kordic, the delegates at the fourth convention here in Neum greeted with a loud applause the former chairman of the HDZ, who has found himself under unprecedented pressure, as Rajic said. Rajic then spoke about the role of the HDZ in the building of the [Muslim-Croat] Bosnia-Herzegovina Federation.

[Rajic] While the HDZ of Bosnia-Herzegovina and the Croat people of Bosnia-Herzegovina saw in the agreement a political goal and a resolution leading to their equal position in the Bosnia-Herzegovina Federation, the Muslim-Bosniak policies and the people [the Muslims] saw in the Bosnia-Herzegovina Federation a means to achieve their unchanged political aim—an undivided, civic Bosnia-Herzegovina, which is only a nicer name for a unitary state and a state in which the majority people would govern.

As the Bosnia-Herzegovina Federation was becoming an aim for the Croats in Bosnia-Herzegovina, it was becoming a means to some other end for the Muslim-Bosniaks. Our willingness to compromise in many important issues was not valued, as would be normal; on the contrary, it resulted in the increasingly frequent and numerous requests by the partner [the Muslims] to change further the spirit and the content of the Washington agreement, naturally to the detriment of the Croats.

Both the parliament and the government of the Bosnia-Herzegovina Federation had been established pro forma, but not much more has been done. The only constant factor in our partners' policy has been new demands and accusations, without precedent, against our party, our nation and the Republic of Croatia. The fact that no progress has been achieved regarding the return of refugees, that tens of thousands of Croats left central Bosnia under pressure, the fact that many Croat houses throughout Bosnia-Herzegovina were stripped down to bare walls, the fact that there were no Croats in the diplomatic service—to our partners this was not a reason for a constructive agreement, for the international community this was not a reason to ascertain the name of the real culprit in slowing down the realization of the federation project.

[Vego] The partner was the one who slowed down the federation project, but the Croats were the only ones accused of this, Rajic continued. He also underlined the impotence of the international community toward the Bosnian Serbs. Dayton has brought peace, he said, but it also confimed the [Serbian] aggression and was painful for the Croats. All this created space for accusations against the HDZ, Rajic said. He added:

[Rajic] All these facts were powerful triggers for dissatisfaction among certain groups of Croats in some areas of Bosnia-Herzegovina which certain political forces and individuals tried to cash in on, attacking the policy of the HDZ and manipulating a part of the Croat people, especially during preparations and implementation of the elections.

[Vego] The Party of Democratic Action [ruling Muslim party] wishes to be completely dominant in the federation and to drag out such a situation until the September elections. In such an atmosphere the case of Mostar has been created.

[Rajic] Of course, the constant subject and the corrector of the Croat behavior, as it is called in the federation, was and still is Mostar. First, a district was staged, then the elections were postponed, voting abroad was achieved by force, electoral fraud was perpetrated, and then orchestrated pressure was exercised for the establishment of the city council. All this was contrary to the agreement and the law.

In all this, certain officials of the international community, namely, Mr. [Michael] Steiner [deputy coordinator of the international civilian operation in Bosnia] go beyond the code of diplomatic communication and even offend the Croat people in Mostar. Gentlemen, the culmination of such pressures is taking place now, during these days when we are holding our convention.

[Vego] Rajic also commented on the work of the Hague [war crimes] tribunal which is bringing indictments exclusively against the Croats while Karadzic and Mladic are walking around unhindered, and none of the Muslim criminals has been indicted. The Croat people do not condone crime but they want justice. The presidency of the HDZ for Bosnia-Herzegovina was constantly faced with pressures for the disappearance of the Croat Republic of Bosnia-Herzegovina while at the same time the structures of the Bosnia-Herzegovina Federation to which the responsibilities of the Croat Republic of Herzeg-Bosnia could be transferred were not ensured. In connection with this Rajic said that the HDZ presidency had taken a decision, and he continued:

[Rajic] In keeping with the obligations we have assumed in compliance with the Washington and Dayton agreements, the presidency of the HDZ of Bosnia-Herzegovina reached the decision on the gradual transfer of civilian powers of the [self-styled] Croat Republic of Herzeg-Bosnia to the governing bodies of the federation, formed in line with the constitution; the dynamics of the transfer are to follow the dynamics of the formation and setting in operation of the federal bodies [as heard].

Such a decision is entirely sensible and based on the agreements we have made, but by no means does it mean that the institutions of the Croat Republic of Herzeg-Bosnia will be suspended at a moment's notice, as has often been demanded from us, but it means that there will be a gradual process of transferring powers to the federal bodies, which are also to take the overall responsibility for the organization of life in certain areas.

[Vego] The main committee of the HDZ elected the new chairman after Dario Kordic had resigned and prepared this convention, Rajic said, speaking about the work of the main committee. The chairman of the HDZ then spoke about the party's discipline and the responsibility of the municipal committees. He pointed out some weaknesses in the work of the party. Bringing his speech to an end, Bozo Rajic spoke about the liberation of the Croat territories and stressed that the price of freedom had always been dear, but this time freedom was achieved. This convention must be a convention of unification and gathering of all Croats for the benefit of each and every Croat. Rajic ended his speech with a message from the convention, as follows:

[Rajic] In this process, we have to adhere to civilized principles and the obligations we have assumed, but equally we have to remain completely alert and ready for any possibility which might occur here against and beyond our will. That is why every member of our party has a mission in all the areas where our people live and should contribute to our staying united around the program goals of the HDZ, firmly relying on the Republic of Croatia. [passage omitted]

[Vego] Stressing the importance of the fourth convention of the HDZ of Bosnia-Herzegovina, the envoy of [Croatian] President Tudjman, Ivic Pasalic, said that President Tudjman and the Republic of Croatia cared for every Croat, particularly in these areas. Such a programme, Pasalic said, had achieved great success. Very few people believed that in the space of two years Croatia would become sovereign and free, that it would have its own army and police.

We have succeeded in what was destined for us. We exercised our right to self-defense. Only the Croats took things in their own hands, only you here fought tanks with bare hands. We have the right to say that Dayton

[Agreement] would not have existed today, because Bosnia-Herzegovina would have been under occupation. We need to point this out at a time when Croatia and the Croats are under unbelievable pressure.

We have broken the Greater Serbian aggression and helped the survival of Bosnia-Herzegovina in which we have the right to realize the constituency of the Croat people, Pasalic said.

We are faced with new pressures to create some new Balkan associations. It is not by chance that they wanted to remove President Tudjman, that certain names of people in Mostar were taken out of mothballs. President Tudjman has in the last few days been the target of all the pressures. We have nevertheless succeeded in resisting all sorts of pressures. We shall never accept attempts at ultimatums and blackmail, or allow anyone to offend our dignity and jeopardize our strategic interest, Ivic Pasalic said.

In such circumstances we will not allow Croatia to be dragged back to the Balkans. We will support fully the project of the [Muslim-Croat] federation. We need people whose skill will preserve the Croat interest now.

This convention is a proper place from which to call on the people to vote in the elections in September and to call for national unity. The HDZ has to rally everyone who thinks as a Croat. You have to know that our motherland, the Republic of Croatia, is behind you, Ivic Pasalic said, and ended his speech with a slogan: What is defended in blood is not easily abandoned.

[Vego] Bosnia-Herzegovina Federation President Kresimir Zubak fully endorsed the report submitted by [HDZ] chairman Bozo Rajic. He said that we were being caught in a political trap set by our partners. He then went on to say:

[Zubak] A speech made by [west Mostar mayor Mijo] Brajkovic best illustrates the way we get caught by these traps. We needed almost the entire EU mandate in Mostar in order to reject the solution to the issue of Mostar put forward by our partners: a single Mostar, Mostar like it used to be in some distant past, which I regarded as long gone. We needed almost two years to convince Mr. [Hans] Koschnick [former EU administrator of Mostar] and others that the only realistic option was provided by the Croat people in Mostar, and not just in Mostar. And this option was accepted.

And what is happening now? Instead of us using this as an instance of our political victory, our political opponents have appropriated this and are saying that they have [words indistinct], which is not true. So we must not be caught in these political and psychological traps, but we must draw attention to our every political and other victory.

And let me recall, we have achieved important victories between these two assembly gatherings. Let us just remember where we were during the previous assembly gathering and let us remember what glorious military victories we achieved from Kupres to Glamoc and Drvar in order to return Jajce, a capital of medieval Bosnia. These are enormous successes and they should be underlined.

We should create a climate of confidence in ourselves, in our strengths and in our abilities. We must destroy this dissatisfaction and these self-doubts. We must underline our successes and say that we are powerful. And we have both legal and political status which ensures not just our survival but also a better future for us. We must underline all this and tell our people to have confidence in the HDZ and us, to believe that we want and that we can [as heard]. And we must get rid of this feeling of despair in central Bosnia.

We must become even better organized. We must direct this determination to resist pressure from the international community to positive ends. We must get organized and consolidate our solidarity, our togetherness and our self-reliance. I am confident that we shall successfully overcome the current difficulties. [passage omitted]

B-H: Rajic Reelected HDZ Head; Zubak Highlights Key Issues

LD0308120596 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 3 Aug 96

[FBIS Translated Excerpt] Bozo Rajic has been reelected as chairman of the Bosnia-Herzegovina Croatian Democratic Union [HDZ] after obtaining a majority of votes. Here is a report from Neum by Gorana Jerkovic:

[Begin recording] [Jerkovic] [Passage omitted] Bozo Rajic, thanking HDZ members for his reelection, said the following, among other things:

[Rajic] We will continue our political program. We will implement it in the light of political realities here and in the world. In doing this, we will never forget why we are here. We are here for the sake of the people who together gave birth to us and sent us out to do this in their name. We will respect the interests of others, and respect the individual, and human rights and freedom, but we will never accede to the creation of areas in which there is greater freedom for others at the expense of the freedom of the Croat people.

[Jerkovic] The fourth convention of the Bosnia-Herzegovina HDZ was then resumed with a statement setting out the party's electoral program which, it was said, was a necessary watershed in the transition from war to peace, a precondition for a good today and a secure tomorrow, and a precondition for the survival of Croats in Bosnia-Herzegovina. In the debate which then followed, Kresimir Zubak, president of the Bosnia-Herzegovina Federation, highlighted three key issues for the survival of the Croat people in Bosnia-Herzegovina.

[Zubak] We are now truly entering a key, decisive, and very vital period, so that we might obtain answers to the questions we discussed at the beginning: What will our final position in Bosnia-Herzegovina be? What kind of Bosnia-Herzegovina will we have? Where will it be in terms of the forthcoming integration processes within Europe? Will it—and to what extent will it—be linked with the whole Croatian nation? And what will be the future of both of these? We have defined our political aims. We must now link up to the greatest possible extent and unite to achieve these goals.

[Jerkovic] As I report, Dr. Mate Granic [Croatian foreign minister] and [Defense Minister] Gojko Susak, HDZ deputy chairmen, have arrived in Neum. After the recess, they will join in the fourth convention of the Bosnia-Herzegovina HDZ. [end recording]

B-H: Prlic Comments on Joining European Institutions

LD0308175396 Mostar Croatian Radio Herceg-Bosna in Serbo-Croatian 1600 GMT 3 Aug 96

[FBIS Translated Excerpt] Our reporter Milan Vego has a report on the work, conclusions, and decisions of the fourth convention of the Croatian Democratic Union [HDZ] of Bosnia-Herzegovina held in Neum. [passage omitted]

[Begin recording] [Vego] Stressing that we are entering a much more complex situation, but that he believes that the election program of the HDZ of Bosnia-Herzegovina is a step toward European institutions, Jadranko Prlic, the foreign minister of Bosnia-Herzegovina, said:

[Prlic] As with all young states, our goal is a rapprochement with European institutions. At the moment we do not have any chance of that because we do not have a state mechanism that could guarantee our joining any European institution. We could be admitted to the Council of Europe without great problems if the elections in Bosnia-Herzegovina take place without serious disturbances. I believe it is realistic to expect that this will be achieved by the end of this year.

If we create a good economic system, the first step toward joining the EU will be our joining the Central European free trade zone, whose members are Poland, the Czech Republic, the Slovak Republic, Hungary, and Slovenia, while the Republic of Croatia is making intensive preparations to join.

I received a letter from [NATO] Secretary General Solana who believes that our joining the Partnership for Peace will make an enormous contribution to the regional stability in this part of the world. So, our chances are improving in this respect, too.

However, all these issues depend on us, on the constituent nations, that is, the partners in the government of the future Bosnia-Herzegovina. It will be impossible for Bosnia-Herzegovina to exist without the Croats. The position of our people and other citizens of Bosnia-Herzegovina depends on our strength and our skill. [passage omitted] [end recording]

B-H: HDZ Conference Discusses Mostar Elections

LD0308210896 Sarajevo Televizija Bosne i Hercegovine in Serbo-Croatian 1830 GMT 3 Aug 96

[FBIS Translated Excerpt] [Announcer] The most important event today is certainly the conference of the Croatian Democratic Union [HDZ] of Bosnia-Herzegovina in Neum. [passage omitted]

A Bosnia-Herzegovina Television team stayed in Neum for two days and covered the work of the HDZ conference.

[Correspondent Sanela Fazlic] There are no tourists in Neum, no roofs, and not even some Bosniak [Muslim] houses. There are no state symbols of the Republic of Bosnia-Herzegovina, either. The discussion about the transfer of power from Herzeg-Bosnia to the [Muslim-Croat] federation is taboo. A Bosnia-Herzegovina Television team covered the work of the HDZ conference over the past two days. Here is what we have recorded:

[Begin recording] [Mijo Brajkovic, mayor of the western part of Mostar] Other people see the situation in Mostar as more dramatic than we do. We have clearly said that we want to continue cooperating with both the Bosniak side and the EU, but not if we are forced to do things.

You know very well that Mostar's central electoral commission proclaimed the June local elections invalid. This now is not a problem of the HDZ or of the municipal council. This is a problem of the central town commission, which is authorized to announce elections results, under Article 93 of the law under which the EU operates. When it proclaims the elections valid, we will continue working.

[Mile Puljic, chairman of the HDZ Mostar branch] We submitted a complaint concerning the ombudsman's decision on behalf of the HDZ town committee. That was the only written document we have received. We have not received any decree. We heard from journalists that some decree to announce the results had been issued, but we have most certainly not received it. International representatives working in Mostar should have had at least the manners to submit that decree to us in a written form. That is some kind of formal document. We still know nothing about it.

[Kresimir Zubak, president of the Bosnia-Herzegovina Federation] Will you broadcast the whole statement?

[Correspondent] Of course.

[Zubak] As far as the Croat side in Mostar is concerned, you know that the Dayton agreement regulates many things, the whole procedure that needs to take place in Mostar. Among other things, it was decided that Mostar should have six municipalities and no central district. The Croat side came under extreme pressure, Hans Koschnick [former EU administrator of Mostar] offered a plan, without being authorized to do so. That plan was unacceptable for us, but that was altered in Rome and, although that plan was not in line with the Dayton Agreement, we accepted it.

It was decided that the elections should be held by 31 May. We were ready, but political representatives of the Muslim Bosniak people demanded with an ultimatum-like tone the extension of the deadline. We accepted that too.

The Dayton agreement was signed by local representatives and the most senior representatives of the Muslim Bosniak people, as well as Schinger [not further identified] on behalf of the international community and [Spanish] Ambassador [to Croatia Luis Felipe Fernandez] de la Pena on behalf of Spain. [Croatian Defense Minister] Gojko Susak and I signed it too.

It was decided that the elections should not be held outside Bosnia-Herzegovina. Not a single country in the world tolerates the holding of local elections on its territory. But we accepted that too. We even accepted the candidacy of the so-called United List [five opposition party coalition], or whatever it is called, after the deadline for the registration of parties expired.

The Croats have been as cooperative as possible.

[Bozo Raic, the chairman of the HDZ of Bosnia-Herzegovina] Sarajevo media had very unprofessional coverage of the status of Herzeg-Bosnia and its transfer to the federation and the Republic of Bosnia-Herzegovina. American diplomacy was not involved in that at all. [end recording]

[Fazlic] Two days ago [U.S. Assistant Secretary of State] John Kornblum told journalists after a meeting of the federation forum that he would come to Bosnia-Herzegovina in a week's time. The federal partners [Muslims and Croats] should by that time find some solution for the transfer of power from Herzeg-Bosnia to the federation.

[Begin recording] [Raic] With all due respect to all countries and all international community representatives, we all know that the overall peace plan in Bosnia-Herzegovina is proceeding under the auspices of the United States and there is nothing unusual, on the contrary, it is normal that U.S. diplomats should come here at different stages [word indistinct].

[Jadranko Prlic, foreign minister of the Republic of Bosnia-Herzegovina] We agreed to hold a meeting by the middle of next week, more precisely on Thursday [8 August], at which we will outline all steps that need to be taken and deadlines for them—both for the transfer of functions from the existing authorities of the Croat Republic of Herzeg-Bosnia on the one hand and on the other the transfer of certain functions from the Republic of Bosnia-Herzegovina, in line with the Dayton agreement. [passage omitted] [end recording]

B-H: HDZ's Rajic Tells Croats 'Fear Not'

LD0408085596 Zagreb Radio Croatia Network in Serbo-Croatian 2200 GMT 3 Aug 96

[FBIS Translated Text] Gordana Jerkovic reports from the 4th convention of the HDZ [Croatian Democratic Union] of Bosnia-Herzegovina:

[Begin recording] [Jerkovic] The 4th convention of the HDZ of Bosnia-Herzegovina ended late this evening. Following the reelection of Bozo Rajic as HDZ president, the convention embarked on electing the party's central bodies as well as five vice presidents: Kresimir Zubak, Jozo Maric, Ivo Lozancic, Dr. Jadranko Prlic, and Drago Bilandjija. The convention, attended among others by the vice presidents of the Croatian Democratic Union [of Croatia], Dr. Mate Granic an Gojko Susak, today also adopted the party's election program. In his closing speech the HDZ president described the meeting as exceptionally successful. He went on to stress:

[Rajic] To our people, either here in their homeland of Bosnia-Herzegovina or in the mother country of all Croats or anywhere else on the six continents, I think that on behalf of you all, on behalf of the the HDZ of Bosnia-Herzegovina convention, on behalf of the central bodies elected today, I can send a message that remarkably echos the Biblical message: Fear not! Today the Croats need to be told not to fear. We heard today the top political and state officials from the Republic of Croatia telling us unambiguously and without hesitation: the Croats of Bosnia-Herzegovina, the mother country of Croatia, is and will always be behind you.

This convention has shown that despite all trivial contradictions in our ranks, despite occasional lack of understanding and I would say narrow-mindedness, we understand politics, we have learned to think politically, to find strength to defeat small, both human and local, prejudices and interests, and that when we sense that our people expect us to be united, to think politically in the global context, we can do it. This is why I can describe this convention as very successful and why I wish to tell our people once again: do not fear, the HDZ, and by implication you yourself, is winning. [end recording]

B-H: Croat Officials Resent Pressure To Dismantle 'Ministate'

LD0308201096 Belgrade TANJUG in English
1955 GMT 3 Aug 96

[FBIS Transcribed Text] Belgrade, Aug. 3 (TANJUG)—Senior Bosnian Croat officials on Saturday negatively assessed demands by the international community to dismantle their ministate Herzeg-Bosnia, in keeping with the terms of the Dayton peace accords.

President of the Muslim-Croat Federation Kresimir Zubak, a Croat, resented pressures exerted by the international community on Croat leaders, Muslim Radio Sarajevo said on Saturday.

Zubak has called for all-Croat unity in an address to an assembly of the ruling Croatian Democratic Union (HDZ) at the Adriatic resort of Neum.

HDZ President for Bosnia Bozo Rajic said a centralization of the Muslim-Croat Federation would lead to a united republic ruled by Muslims.

Sarajevo wants to achieve its aim via the federation, and this aim is the creation of a Muslim state in which Croats would be a minority, said Rajic.

Herzeg-Bosnia defense minister, who holds the same post in the federation, said "only a gun over a Croat shoulder guarantees the survival of Croats in Bosnia."

Croatian President Franjo Tudjman in Washington pledged to influence Bosnian Croats to dissolve Herzeg-Bosnia and merge its institutions into the federation.

The federation was created in 1994 under pressure from the United States, but has been riven ever since due to intolerance between the federal partners and parallel organs of authority.

Muslims and Croats fought a ferocious war during 1993 for territories with mixed populations. Mostar, a city divided between Muslims and Croats, is an example of how poorly the federation functions.

Croats are boycotting the work of a joint city council, in which Muslims hold a majority.

The European Union has set an Aug. 4 deadline for Croats to drop the boycott and implement the results of the elections.

B-H: 'Last Ditch' Mostar Talks Fail; EU Expected To Withdraw

AU0508063596 Paris AFP in English
0237 GMT 5 Aug 96

[Report by Tessa Fras]

[FBIS Transcribed Text] Mostar, Bosnia-Herzegovina, Aug 5 (AFP)—Last ditch talks to try to end a Croat boycott of the city council in Mostar failed early Monday and a final decision on an EU withdrawal from the divided city was expected within hours. "I'm afraid we did not achieve an agreement, the two sides could not agree with each other. It was impossible to get a reconciliation," Sir Martin Garrod, head of the European Union's mission in Mostar, told journalists.

A tired Garrod was emerging from marathon talks with Moslem and Croat officials which ended in the early hours of Monday. "We talked around the subject for around six hours and I don't think we really budged from where we started.... We are now reporting to the EU presidency and I don't see the likelihood of any further talks," he said.

The final decision from the EU presidency is expected "from around 11 a.m. onwards," Garrod said. He did not specify if this was central European time (GMT + 2) or Dublin time (GMT + 1). Dublin holds the EU's rotating presidency.

The Croats were represented by the two deputy mayors of Croat-held west Mostar, Boro Puljic and Mile Puljic, and the Moslems by the mayor and deputy mayor of Moslem-held east Mostar, Safet Orucevic and Hamdija Jahic. EU spokesman Dragan Gasic said that several options had been discussed at the talks. "I think that all sides tried to reach an agreement...the problem is that they couldn't find a common language on certain issues," he said.

Lengthy talks had also been held Saturday before a midnight (2200 GMT) deadline which the EU had set for a Croat decision. These broke down over the status of the city council elected in the June 30 polls, which were won by a mainly Moslem coalition. The Croats had said that the council should have a "provisional" status until the constitutional court of the Moslem-Croat federation had ruled on their objections about the voting of Mostar refugees in Bonn. The EU agreed to the court ruling on the objections but said the provisional status was "not acceptable."

The failure comes despite encouraging signals from both sides before the meeting. Orucevic had told reporters that he expected the Croat side to sign a draft EU accord while Mile Puljic said that the Croats had dropped their insistence on the "provisional" nature of the council. Gasic said that the EU would start to prepare its departure immediately, although it would not go straight away. "If we start with our plans tomorrow, it does not mean that you will see me tomorrow with luggage," he said. Garrod had said Sunday that in the event of withdrawal the EU would leave a rear party which would finish projects, "pay the bills and switch off the lights." If the EU left, "the only people who would be drinking champagne will be the thugs, the gangs and the criminals," he said.

Croatian radio monitored by the BBC said earlier that the Croatian Foreign Ministry was trying to help find a solution to the deadlock. The EU has said it will reconsider its relations with Zagreb if it did not use its influence to get the Bosnian Croats to cooperate. In London, the Foreign Office expressed fear Sunday about the implications for the September nationwide elections. Garrod has also said that the breakdown of the talks would have "very serious implications" for the peace process in Bosnia.

Mostar was calm early Monday although firing had been heard earlier in the evening when Croatia won an Olympic gold for handball.

B-H: Steiner: EU, U.S. Should Pressure Zagreb on Mostar

LD0508092796 Cologne Deutschlandfunk Network in German 0515 GMT 5 Aug 96

[FBIS Translated Excerpt] [Announcer] Michael Steiner is the deputy to the coordinator of the international civilian operation in Bosnia [Carl Bildt], who was called in by the international community of states. Mr. Steiner, has the attempt to make Mostar a united city instead of a divided one finally failed?

[Steiner] First of all good morning. We diplomats never give up, especially when we are in such a critical situation. It is completely clear that the negotiations which were conducted well into the night have reached a standstill. I believe one of the reasons for this is that we cannot expect the Croatian leaders in western Mostar to move one millimeter; we really ought to be asking Zagreb this question. One the other hand, I have to say that the sides did get very close; you know that on 23 July an eight-point plan was made and negotiations are now taking place using this as a basis. Basically the sticking point was really only one sentence. [passage omitted]

[Announcer] What reaction do you expect to get now from Brussels?

[Steiner] If no agreement is reached, Brussels will have to take the consequences because here it is less a question of seeking a compromise than at all cost avoiding a situation where the September elections set a negative precedent resulting in many Mostar-type situations in Bosnia-Herzegovina. We must stick to a clear line here. Therefore, I believe that Brussels will have no choice but to take the consequences; however as I said, I still think that there is a small chance of reaching agreement, if Zagreb can be convinced that its reputation is at risk here, too, because the sides really were only millimeters apart. [passage omitted]

[Announcer] You said that Zagreb now has to take the actual decision. What interest could the Croats in Croatia have in seeing that things in Bosnia go as the international community wishes?

[Steiner] Their interest is quite clear. Zagreb is one of the guarantor powers of the Dayton peace agreement, and of course the international community, in particular the United States and the EU, will shape their relations to Zagreb in accordance with how much it contributes to seeing that Dayton is correctly implemented on one of its most crucial points, namely, the elections.

[Announcer] But Croatia has just, after a lot of opposition, been accepted into the Council of Europe. Would it have to consider being immediately slung out again?

[Steiner] It is really up to the EU and the Americans to decide what concrete measures would be taken if necessary. The important point is that Croatia, Zagreb recognizes what we have made very clear here, namely, that it bears coresponsibility. We weren't speaking rhetorically, it was meant seriously and of course if we do not reach agreement here it will have a bearing on relations with Croatia.

[Announcer] How do you assess the mood among the population in Bosnia? The September elections are supposed to be setting the cornerstone for peaceful coexistence. But outsiders still have the impression that each ethnic group is only for itself and wants to form its own state.

[Steiner] I think that here we have to make a clear distinction between what some leaders had as their aims throughout the war and what the population wants. The Croats, Bosniaks, and Serbs want nothing but peace, a normal life, they want Dayton to be implemented, and the ethnic extremism which we are always being confronted with is not something that is inherent in the population and ethnic groups. It is something that was manipulated by leaderships who have held on to their positions of power on the basis of fear. This is the problem. The people aren't the problem; the population is a normal European one. The problem is that leaderships have manipulated the fears of the population. [passage omitted]

B-H: EU Envoy: Mostar Negotiations Break Down; EU To Withdraw

LD0508100996 Belgrade TANJUG in English 0934 GMT 5 Aug 96

[FBIS Transcribed Text] Belgrade, July 31 (TANJUG)—Martin Garrod, European Union special envoy to Bosnia, said late on Sunday that talks between the EU and delegations of Muslims and Croats in Bosnia on sharing power in Mostar failed to reach a solution.

"No agreement, no reconciliation," Garrod told reporters in front of Hotel Ero after six hour talks on the city's future, news agencies report.

Garrod said he was "very worried about the city becoming totally divided again, about the police force splitting up, about aspects of the freedom of movement, and the former confrontation line."

Such a development would have serious implications on the September elections, the Dayton Accords, and the peace process in Bosnia, he said.

Spokesman Dragan Gasic said the EU was expected on Monday morning to give a written confirmation of closing its two-year mission in Mostar to reunite and rebuild the city.

The deadline set by the EU for Croats to implement the results of the Muslim-won elections in Mostar and drop their boycott of the city council expired on Saturday at midnight.

B-H: Socialists Insist Brcko Not 'Subject to Any Bargaining'

LD0408163896 Belgrade TANJUG in English 1604 GMT 4 Aug 96

[FBIS Transcribed Text] Brcko, Aug. 4 (TANJUG)—The Socialist Party of Republika Srpska (SPRS) insisted at an election campaign rally in Brcko Sunday that the town in the north of Bosnia could not be subject to any bargaining. "Republika Srpska is not possible without Brcko, just as the Serbian people west of the Drina cannot survive without Republika Srpska," SPRS representatives stressed. They said their party and the umbrella Alliance for Peace and Progress (SMP) would strive for a contemporary and highly developed state of Republika Srpska and for the exercise of the rights of the participants in the war and refugees.

The SPRS said it saw prospects in the establishment of the closest possible ties with Yugoslavia.

SPRS president and presidential candidate Zivko Radisic told the rally that his party was committed to Republika Srpska, for which he said its members had fought and died.

Brcko is the largest town in the corridor which links the western and eastern parts of Republika Srpska. Bosnian Serbs call for the town zone to be expanded to 20 km, decision on which is to be taken by an international arbitration commission.

The Muslim-dominated government in Sarajevo wants to take over control of the town, although the Dayton peace accords specify that the arbitration commission is to define the boundary between Republika Srpska and the Muslim-Croat Federation outside the town zone.

B-H: Bomb Scare Delays SMP Rally in Brcko; Candidates Speak

AU0408163496 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 4 Aug 96

[Report by Branislav Bozic from Brcko]

[FBIS Translated Text] The electoral rally of the Alliance for Peace and Progress [SMP] began with a half-hour delay because an explosive device was found in the section of the hall where the candidates were to be seated. The defusing of the bomb and search of the hall wasted some time, but irrespective of the provocation, the hall of the local cultural center overflowed with citizens.

Addressing the assembled crowd, Zivko Radisic, president of the Socialist Party of the Serb Republic [RS], head of the SMP, and RS presidential candidate, stressed that the upcoming elections are a crucial chance for lasting peace, which the Serb people must not miss. After 14 September, Radisic said, there must be a change in the RS, because we must part ways with those who have turned Serbhood into a lucrative profession aimed at concealing war profiteering and wide-scale smuggling. He called on the international community to suspend the Train and Equip Program, which is a way to supply the

Muslim-Croat Federation with arms. They could have a similar project under the same name, but one that would supply all ethnic groups with new technologies and capital, and that would be a true contribution to peace, he added.

Dr. Nedjo Djuric, the candidate for RS vice president, stressed that nothing was being done to revive RS companies so that they could be easily privatized. Dr. Dragutin Ilic, head of the list for the RS Assembly, elaborated on the topic claiming that the ruling elite in the RS intends to grab the companies for themselves and a group of war profiteers, and then to call veterans and war disabled to become their hired help.

Dr. Mladen Ivanic, candidate for member of the Union of Bosnia-Herzegovina Presidency, said that the struggle for the RS should be continued politically and diplomatically, that the moment calls for knowledge, wisdom, and skill which will ensure that the Serb people keep what they already have.

Dr. Branko Dokic, head of the candidate list for the Union of Bosnia-Herzegovina's House of Representatives, believes that Brcko will certainly be a part of the RS, and that it is necessary to present arguments which served as a basis for the Dayton peace agreement.

B-H: Brcko Arbitrators' First Meeting Postponed

*AU0508090596 Paris AFP in English
0846 GMT 5 Aug 96*

[FBIS Transcribed Text] Sarajevo, Aug 5 (AFP)—The first meeting between the Serb, Moslem and US arbitrators to begin discussions on the future of the disputed town of Brcko has been postponed, officials said Monday. The three men had been due to meet Monday at the start of tough talks to settle the status of the town which lies along the strategic corridor linking the east and western parts of Serb-held Bosnia. According to Cazim Sadikovic, the Moslem Bosnian government appointed arbitrator the meeting will instead take place on Tuesday. He said the reason for the postponement was that his US counterpart, Roberts Owen, "had missed the plane to Sarajevo."

An official from Bosnia's High Representative office, the top international civilian authority in the country, confirmed that the meeting would not take place Monday. The official did not know why it had been delayed or when it would be held.

Bosnia's peace accords divided the country into roughly two halves, one each controlled by the Moslem-Croat Federation and the Bosnian Serb Republic. The Brcko issue, it was agreed, would be settled by arbitration.

B-H: Article Notes U.S. Plan To Capture Karadzic

*LD0408103696 London THE SUNDAY TIMES
in English 4 Aug 96 p 16*

[Article by James Adams in Washington: "US Plots Capture of Karadzic"]

[FBIS Transcribed Text] The man seemed invincible. Radovan Karadzic, with his trademark grey quiff and pretensions as a poet, had survived worldwide condemnation for his role in the worst European atrocities since the days of Adolf Hitler.

Until recently, the leader of the Bosnian Serbs had been enjoying the spoils of war at his villa in Pale, a 20-minute drive from Sarajevo, the city he had brought to its knees in one of the most brutal sieges of the 20th century. It seemed he would escape retribution for ordering the ethnic cleansing of thousands of Muslims massacred in Srebrenica, one of the crimes for which he stands accused before the war crimes tribunal in The Hague.

He still might evade the net. But last week the former psychiatrist from Sarajevo who specialised in neurosis and depression had every reason to feel nervous: his growing suspicion that an operation might be mounted against him has proved well founded.

It has been revealed that America has drawn up plans to seize the Bosnian Serb leader and bring him to The Hague to answer charges that he committed offences "of almost unparalleled cruelty." Karadzic may well reason that such reports are just mind games to unnerve him. And if so it is working: Karadzic is certainly jittery—he has started changing his daily routine over the past few days, staying in different locations each night and sometimes sending out his bullet-proof Mercedes with nobody in it.

"As the mafia says, he has gone to the mattresses," said one intelligence source. "He knows he's at risk and he's doing everything he can to keep us guessing."

The fact is that the danger is not all in Karadzic's mind. Sources on both sides of the Atlantic have confirmed to THE SUNDAY TIMES that America is poised to strike against him, having finalised plans for an operation whose preparation was ordered by President Bill Clinton.

But America's European Nato allies are concerned that a mission to seize Karadzic could derail the fragile peace process and prompt reprisals against Nato troops. Some American generals are similarly nervous about any operation to snatch Karadzic: critics of the plan may have leaked details of it in the hope of forcing Clinton to scrap it. Clinton, however, believes any weakness in dealing with Karadzic could reflect badly in an election year and wants to be able to order a raid at a moment's notice.

"It's nuts," said one Foreign Office source. "There will be casualties, the peace deal will be dead in the water, and our forces will be attacked in retaliation. And for what? One man who no longer matters."

The source added: "This is a high-risk adventure and we simply don't believe that it's worth the cost." A Pentagon official also confirmed American military misgivings, saying: "It can be done. But the question is: at what price?"

Britain will underline its disapproval of the Karadzic plan by refusing any American request for help from the SAS [Special Air Service]. General John Shalikashvili, chairman of the American Joint Chiefs of Staff, has made clear his opposition; and Field Marshal Sir Peter Inge, the chief of the defence staff in Britain, has told the Americans that he is also against it.

The plans envisage deployment of Delta Force, the American equivalent of the SAS, in a strike force of helicopter gunships—including the AC-130H Spectre gunships, MH-60G Pave Hawk and MH-53J Pave Low—which would fly to the target below radar height. The commando team would rappel down ropes, immobilise bodyguards and seize Karadzic, who would then be flown to The Hague where, along with General Ratko Mladic, the Bosnian Serb military commander, he tops the most-wanted war criminal list.

Karadzic could face life in jail, marking the end of the road for a man branded a psychopath by some of his own officers. An erratic character who fancied himself as a poet, he rose to power from the fringes of local Sarajevo politics after giving up psychiatry.

After becoming leader of the Bosnian Serbs, the indictment issued by The Hague international war crimes tribunal accused him of directing the siege of Sarajevo, killing more than 10,000 former neighbours, colleagues and patients. He has also been charged for his role in the siege of Srebrenica: hundreds of bodies are still being dug up after Muslim civilians were found in mass graves, their hands bound with wire and bullets through their heads.

However, even if it does go ahead, the chances of America pulling off the raid successfully appear slim. A report prepared last month by the Joint Intelligence Committee (JIC) in the British Cabinet Office concluded that there was not enough reliable intelligence to pinpoint Karadzic's location with sufficient accuracy for a strike. The JIC also warned that retaliation by Bosnian Serbs was certain. To keep casualties to a minimum, IFOR forces would have to be withdrawn to more secure areas in advance of an assault. But that would cause additional problems: withdrawal would warn Karadzic and probably ensure the mission's failure.

Last week the Pentagon had deployed additional intelligence assets in the area. Aircraft capable of intercepting communications and pinpointing the location of callers have been launched high over the country. Special forces, who can provide eyewitness reports of the target's location, are already on the ground.

The new American initiative marks a dramatic breakthrough for relatives of the victims. In June, there was a secret agreement in place between the allies that Karadzic and Mladic should be left alone. Any attempt to seize them would provoke a violent reaction from their supporters and jeopardise the Dayton peace accords. The Americans are also keen to bring Mladic to justice. But officials believe that Karadzic's high-profile role in the war makes him the prime target, ensuring maximum credit for the Clinton administration if he is brought to justice. If the Delta Force operation is a success, a plan may be devised later to seize Mladic and make him answer questions about his part in the ethnic cleansing.

The change of heart in the Pentagon followed a trip by Richard Holbrooke, the White House negotiator, to meet President Slobodan Milosevic of Serbia. Holbrooke wanted to tell Milosevic that there was a credible Pentagon operation to seize Karadzic if he was not persuaded to step down as president of the Bosnian Serbs and go into exile. Holbrooke had a deal with neighbouring Montenegro that it would take Karadzic, who stepped down as president but refused to leave the country. Holbrooke finally returned to Washington with an agreement from Karadzic that he would keep out of politics in the run up to the elections next month. But Holbrooke did not believe him. Evidence emerged last week that Karadzic could already be applying behind-the-scenes pressure to influence the results of the elections.

At the same time, the administration has come under pressure from the active Bosnian lobby to take action against the two most wanted Bosnian Serb war criminals. Capturing Karadzic would take the heat off Clinton, enabling him to track down Mladic later.

But aggressive tactics have severely strained relations between London and Washington. State Department officials are openly dismissive of Ivor Roberts, the British ambassador in Belgrade. He is considered to be too close to Milosovic; derisively, he has been nicknamed Ratko Roberts by the Americans.

But it is not just Karadzic's future that is at stake. As well as the threat of renewed blood shed, Clinton faces the prospect of being blamed for a military and political disaster should anything go wrong.

Yet he has few options. Clinton's advisers have told him that while Karadzic and Mladic are free, he will be attacked by Bob Dole and the Republicans for being "too weak" in tackling one of the most visible foreign crises of his administration.

Increasingly, he has been accused of taking the simplest option by agreeing to let Karadzic continue to walk free in the places where his victims died. The coming weeks will determine whether Karadzic is as invincible as he once thought.

B-H: Plavsic Says Lagging POW Exchange Impedes Dayton Accord

LD0408152996 Belgrade SRNA in Serbo-Croatian 1404 GMT 4 Aug 96

[FBIS Translated Text] Banja Luka, 4 August (SRNA)—Biljana Plavsic, vice president and acting president of the Serb Republic, in Banja Luka today met members of a team of experts and the state commission for the exchange of captured soldiers and missing civilians who are working on the identification of bodies exhumed from a mass grave in the village of Kamen near Glamoc.

"I came to see for myself and on the spot your very responsible and humane work, but also to hear what kind of problems you are encountering so that I can relay them to the representatives of the international community with whom I discuss all the issues important for the Serb people," Plavsic said.

She said that she would take the earliest opportunity to remind her interlocutors that the deadline for the release of all war prisoners and the exhumation of mass graves had expired a long time ago according to the Dayton agreement, and that these issues were impeding its further implementation.

"How can we proceed with the implementation of the Dayton agreement when such a tragic task is being carried out for so long and with so many difficulties, the task which is outside politics, in the sphere of humanity—while at the same time so many international organizations are present here," Plavsic said.

According to her, "this is all part of the policies created a long time ago which groundlessly accuse Serbs of all atrocities and represent the Muslims and the Croats as victims."

"They simply passed this lie about the events in the Balkans to the world media and the public accepted it; now they are afraid of the truth although it cannot stay hidden from the world," Plavsic said and added that "the truth is noble and, sooner or later, it will come to light."

Pathologist Zeljko Karan briefed Mrs. Plavsic on the process of the identification of 42 bodies exhumed from a mass grave in the village of Kamen near Glamoc, adding that over 80 percent of these were the bodies of civilians, including a large number of old men and two small children.

He added that most of the victims were killed brutally, quoting as a typical example injuries to the head and a triple fracture of the lower jaw inflicted on an 81-year-old woman. Dr Karan said that many victims were headless, adding that it was "the most frequent way in which criminals killed innocent victims."

Milan Ivancevic, a member of the Serb Republic state commission for the exchange of POW's and missing persons, told Plavsic about lack of cooperation on the part of the Croat-Muslim side and IFOR regarding the approach to the whole problem and the exhumation of mass graves, as many as 49 on federation territory alone, according to the latest reports.

He added that UNPROFOR [UN Protection Force] representatives in Belgrade told him that 66 civilians were killed in a church in Sanski Most three days after the fall of this town, told him about a mass grave with the bodies of 105 civilians in Poljaci, Sanski Most municipality, and about another one with 37 bodies of Serb POW's.

Ivancevic said that the Serb side was not allowed access to these graves nor to the mass grave in the village of Klenovac in the Laniste area.

According to his findings, members of the Muslim army's 5th Corps killed 120 Serb civilians in the Ripac area.

"If the exhumation of bodies from all the above graves were allowed, the Serb side would have complete figures for the missing persons," Ivancevic told Plavsic.

B-H: Plavsic Urges Parties To Strive for 'Democratic' Elections

LD0308173096 Belgrade SRNA in Serbo-Croatian 1522 GMT 3 Aug 96

[FBIS Translated Text] Banja Luka, 3 Aug (SRNA)—The common interest of all political parties from the

Bosnian Serb Republic who have registered their participation in the September elections should be the Serb Republic, Biljana Plavsic, vice president and acting president of the Bosnian Serb Republic, said today in Banja Luka.

"Our common interest should be the Serb Republic, and the realization of that aim should be implemented in as civilized and democratic an atmosphere as possible," Dr. Plavsic said during talks held with representatives of 15 political parties from the Serb Republic taking part at the forthcoming elections.

Calling upon the representatives of the political parties and coalition blocs to make joint efforts in order to ensure that the preelection campaign is held in a democratic atmosphere, Dr. Plavsic said that "all participants at the forthcoming elections must behave in accordance with the prescribed rules, in spite of the fact that those rules were imposed by the international community."

She added that "normal conditions must be ensured for all the parties to have the opportunity to introduce programs and candidates in the way they wish to do it," stressing that it was "up to the people, those casting their ballots to give their votes to the best people who will represent their interests in the best possible way."

"If all the parties have good intentions, that will be the best guarantee for the realization of our common interest," Dr. Plavsic said, adding that an agreement on this was reached at the last meeting of the political parties representatives with Aleksa Buha, the acting president of the Serb Democratic Party (SDS).

The greatest area of agreement among remarks of the party leaders attending the meeting—and especially Slavko Zupljanin, the president of the Serb Patriotic Party (SPAS)—concerned the presentation of the political parties by Serb Radio-Television (SRT).

"If the present practice on radio and television goes on, the SDS will not have an ally in SPAS on any issue," Zupljanin said. According to him, the presentation of Slavko Lisica, the SPAS candidate for the post of the president of Serb Republic, was more like a "political trial."

A similar view was presented by Dubravko Prstojevic, the deputy chairman of the Democratic Patriotic Bloc, who rejected the notion that Bosnian Serb radio-television had the right to "decide which party is patriotic and which traitorous" at its own will, as he said.

Socialist Party Chairman Zivko Radisic presented his party's view that "the democratic conditions for the election campaign have not yet been created"; he objected that Serb radio-television failed to follow up the rally of the Association for Peace and Progress in Milica Gaj on Mount Kozara [northwestern Bosnia].

In addition to the joint stand agreed on at the previous gathering of political parties in the Serb Republic, where an agreement on the minimum Serb interest was also reached, today it was agreed that talks be continued on the appointment of delegates to the joint representative council of the Serb Republic and the Muslim-Croat federation.

Plavsic also confirmed that all political parties would be treated equally when representing their programs and candidates. It was said that a joint media commission consisting of representatives of all the political parties registered for the elections would be discussed at one of the future joint meetings.

Present at the joint meeting with Plavsic were also representatives of the Serbian Radical Party, the Nikola Pasic Radical Fatherland Front, the Party of Independent Social Democrats, the Serb Party of Krajina, the Party of Serbian Unity, the Croatian Democratic Union, the Serbian Peasants' Party, the People's Party of the Serb Republic, the Nikola Pasic People's Radical Party, the Party of Social Prosperity, the Serb Democratic Party, the Socialist Party of the Serb Republic, the Social Liberal Party, the Serb Patriotic Party, and the Yugoslav Left.

B-H: Krajisnik Warns About 'Manipulation' of Refugee Votes

LD0408143696 Belgrade TANJUG in English 1349 GMT 4 Aug 96

[FBIS Transcribed Text] Kragujevac, Yugoslavia, Aug. 4 (TANJUG)—Republika Srpska Assembly President Momclo Krajisnik said on Sunday that the republican authorities were doing their utmost for elections to be held as planned and for the biggest numbers of people, especially refugees, to be included in the vote.

In a statement to the local radio station in the central Serbian town of Kragujevac, Krajisnik warned about possible manipulation with votes of refugees in the many European countries.

Krajisnik said Muslims and Serbs were not in the same position because the vote would be taking place in embassies of the Muslim-Croat Federation.

"Regardless of this, everything has been done for elections to take place, primarily because the Dayton accords envisage that sanctions against Yugoslavia will be lifted 10 days after the elections take place," he said.

"We do not fear the elections because our people have opted to preserve Republika Srpska. The only thing with which the international community is blackmailing us is the issue of Brcko, where elections are trying to be postponed in a way, although there is no justification for this, nor can we agree to it," Krajisnik said.

Muslims want control over Brcko, although the Dayton accords envisage only that a special arbitration commission determine the line of separation in the wider area of this town located on the bottleneck of the corridor linking eastern and western parts of Republika Srpska.

Commenting on the announced economic cooperation between Yugoslavia and the Muslim-Croat Federation, Krajisnik said efforts should be made to normalize economic relations.

Croatia: Tudjman Statement on Talks With Clinton, Gore

LD0208182996 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 2 Aug 96

[FBIS Translated Text] Full support for the implementation of the Dayton Agreement was the main conclusion reached at the separate talks that Croatian President Franjo Tudjman held with U.S. President Bill Clinton and Vice President Al Gore. Andjelko Perincic reports:

[Perincic] The United States considers the Republic of Croatia and President Tudjman as the key elements of the peace process in the former Yugoslavia. Both sides believe that the course so far of the peaceful reintegration of the Croatian Danubian area, the consolidation of the Bosnia-Herzegovina Federation, and the overcoming of problems between [federation] partners are the foundations for peace.

After the meetings with the U.S. President and Vice President, President Tudjman gave the following statement for journalists:

[Begin Tudjman recording] It goes without saying that some people—in the course of the implementation of the Dayton Agreement—wish to impose the isolated case of Mostar. It is not the first time and not only to U.S. representatives—now also to Vice President Al Gore and President Clinton—that I have explained that Mostar is just one of the issues, an important issue, but, nonetheless, just one of the issues in the overall implementation of the Dayton Agreement.

As far as Croatia and the Dayton Agreement are concerned, we are above all interested in the peaceful reintegration of the Croatian Danubian area and in the implementation of the federation according to the spirit and letter of the Washington and Dayton Agreements. Consequently, the federation must ensure the full equality of the Croat people in the federation and it must rely on Croatia for the security of Croat people in the federation and for the realization of the strategic interests of the Croatian state.

We look upon the problem of Mostar as just one of the problems that must be resolved in the process of the implementation of the Dayton Agreement. While we are on the subject, I told President Clinton and Vice President Gore that some players from Europe and also from Bosnia-Herzegovina wanted to compromise the Dayton Agreement and that they were not interested in its consistent implementation. The players from Europe were not interested because of the leading role that the United States had in the Dayton Agreement after Croatia changed its strategic relations in the whole area with its military victories, and after it made possible the Dayton Agreement itself, owing to its constructive policy, including the talks in Dayton that had encountered difficulties at the time [sentence as heard]. Some players in Europe would prefer the Dayton Agreement to fail and then blame Croatia for it. [end recording]

[Perincic] President Tudjman also told Clinton and Gore that the extension of UNTAES [UN Temporary Administration for Eastern Slavonia] mandate for more than three months was out of the question. They thanked him for the role of our country in the peaceful reintegration of the Croatian Danubian area. The White House also supported the admission of Croatia into western institutions, accepting Croatia as a Central European and Mediterranean country with certain interests in the direction of the countries of southeastern Europe.

During his visit to Washington, President Tudjman also met the leaders of Croatian organizations in the United States. Foreign Minister Mate Granic and Defense Minister Gojko Susak accompanied the president.

Croatia: Tudjman Holds News Conference in Washington

LD0208211696 Zagreb HTV Television in Serbo-Croatian 1730 GMT 2 Aug 96

[Part of news conference held by Croatian President Franjo Tudjman in Washington on 2 August for Croatian correspondents—recorded]

[FBIS Translated Text] [Unidentified Correspondent] Mr. President, on behalf of all journalists I think we can say, above all, that several options were available before this meeting, which was some kind of a crisis meeting, an ad hoc meeting. I think that [words indistinct] officials, and you yourself said that [words indistinct].

[Tudjman] It was neither a crisis meeting nor an ad hoc meeting. The meeting had been discussed, our ambassador has been discussing it for over a month. There were proposals that I should go to the Olympic games and meet Clinton before or after the games. However, my duties prevented me from going to the Olympics, and as far as President Clinton and I are concerned, a date had to be found for this official visit of the president of Croatia to the U.S. President. That is how the meeting was organized and there was no special reason.

[Correspondent] One more question, if I may. The key was the implementation of the Dayton Agreement. However, there are several aspects to the Dayton Agreement. As far as our country's interests are concerned—from the question of the Croatian Podunavlje to the implementation of the federation, etc.—what was the crucial aspect in today's meeting within the framework of the implementation of the Dayton Agreement?

[Tudjman] The crucial aspect was the implementation of the Dayton Agreement, and it goes without saying that some people—in the course of the implementation of the Dayton Agreement—wish to impose the isolated case of Mostar. It is not the first time and not only to U.S. representatives—now also to Vice President Al Gore and President Clinton—that I have explained that Mostar is just one of the issues, although important, but nonetheless just one of the issues in the overall implementation of the Dayton Agreement.

As far as Croatia and the Dayton Agreement are concerned, we are above all interested in the peaceful reintegration of the Croatian Danubian area and in the implementation of the federation according to the spirit and letter of the Washington and Dayton Agreements. Consequently, the federation must ensure the full equality of the Croat people in the federation and it must rely on Croatia for the security of Croat people in the federation and for the realization of the strategic interests of the Croatian state.

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[Correspondent] Mr. President, today's meeting was also attended by Defense Minister Susak and Foreign Minister Granic. Minister Susak is your envoy at the HDZ [Croatian Democratic Union] assembly [words indistinct] message from Washington to Bosnian Croats. And the second question: U.S. media kept reporting today that you will be required in some way to make the Bosnian Croats accept the results of the Mostar elections.

[Tudjman] Above all, the HDZ convention in Neum will not only be attended by Susak, but by the entire delegation, mine and that of the HDZ presidency, which consists of Susak, Granic, Pasalic, Valent, and Milas. The delegation is, of course, led by Susak, but given that the invitation came for him to come with me to Washington, he will be going to the convention afterward. But neither Susak, nor Granic, nor anyone else in that delegation will be delivering any messages from Washington. All they need to say to the Croats in Herzeg-Bosnia and in Bosnia-Herzegovina has already been decided at the joint meeting of the HDZ presidency and the Croat leadership in Bosnia-Herzegovina, which was held on 31 July. At that meeting we made the decision and set the guidelines and there is no need for me to change them after the meeting with President Clinton and Gore.

It all boils down to the fact that we decided—contrary to the fact that certain people from the EU and from the Muslim leadership who were against Dayton as it had been envisaged—on a meeting between Croat and Muslim leaderships in Sarajevo, so that they can examine things and find solutions in the interest of a further implementation of the Dayton Agreement and the federation.

As you know, I received Federation Vice President Ganic, who came with Michael Steiner [deputy to European coordinator Carl Bildt], and the U.S. ambassadors in Zagreb and Sarajevo. At this meeting Ganic came out with totally unacceptable views and after the meeting I telephoned Bosnian President Alija Izetbegovic who agreed with what I told him—that it was necessary to discuss things within the forum of the federation in Sarajevo, between the Croat and Muslim leaderships, and within the Council for Cooperation between Croatia, Bosnia-Herzegovina, and the federation. Mr. Izetbegovic agreed to this and yesterday, at the meeting in Sarajevo, an agreement was reached in this respect.

Ganic had come with a request to abolish [Herzeg-Bosnia], that the Croatian president should order the dissolution of the government of Herzeg-Bosnia in a summary procedure. I repeated to Ganic that we had accepted the Washington Agreement only on condition that the Croat and Bosniak Muslim people were given equal treatment. The Croat Republic of Herzeg-Bosnia is the result of the defense of Croat areas, and not just the Croat areas, but also the entire Bosnia-Herzegovina, from the Yugo-communist and Serb aggression. I reminded him of the horrible destruction of Mostar; 60 percent of Mostar was destroyed in the struggle against the Yugo-communist army and the Serb aggressors and 40 percent later on, when some from the Muslim leadership—at the time when David Owen and Thorvald Stoltenberg were heading the EU and proposed a union of three republics—came to the conclusion that Mostar should be liberated by force and access to the Adriatic secured. The Washington Agreement put an end to these conflicts and we also said that Herzeg-Bosnia will last until the federation is implemented, until equal treatment is guaranteed, and until the federal and cantonal governments are established in line with the envisaged federal constitution.

In connection with the present situation, many activities of the Herzeg-Bosnia government have withered away, as the government of the federation was taking shape. The jurisdiction of the former republican government has not yet been transferred to the federal government. It is a process in which cantonal leaderships need to be established. But the elections are ahead, and in order to step up the implementation of the constitutional order of the federation from the Croat point of view, the Croats in Bosnia-Herzegovina will be willing to contribute to the transfer from the republican government to the federal and to the completion of the transfer of the Herzeg-Bosnia government to the federal and cantonal governments. Consequently, they will contribute to efforts to establish a political center of the Croat people, envisaged by the constitution, in the form of a Croat community.

Croatia: Tudjman Reportedly 'Astounded' by Ganic's Plan

AU0308172196 Sarajevo OSLOBODJENJE (Bosnian) in Serbo-Croatian 2 Aug 96 p 1

[Article by E.H.: "A Three-Point Plan"]

[FBIS Translated Text] Bosnia-Herzegovina Federation Vice President Ejup Ganic suddenly appeared in Zagreb on Wednesday to meet with Croatian President Franjo Tudjman. A statement issued after the meeting stated that the Federation vice president asked the Croatian president to help dissolve Herzeg-Bosnia, but details were not disclosed.

OSLOBODJENJE has learned from diplomatic sources that Franjo Tudjman was astounded when during the meeting Ganic whipped out a paper outlining a three-point plan on how to dissolve Herzeg-Bosnia. The plan calls for the Herzeg-Bosnian government to dissolve by 5 August, along with its administrative, police, and legislative bodies, which should continue work as constituent parts of the Federation Government. It was moreover demanded that all Herzeg-Bosnia public companies, namely, PTT, railroads, and the electricity board, should integrate into Bosnian public companies. The third point pertains to the change of name in official seals. This means that the name Herzeg-Bosnia will no longer appear on official seals. It will be replaced by the name Bosnia-Herzegovina Federation along with the name of the canton, town, and so forth.

Our sources claim that Tudjman and Zubak had no prior knowledge of the paper which Ganic presented at the meeting in Zagreb. However, the fact that the meeting was attended by Galbraith and Menzies, U.S. ambassadors to Zagreb and Sarajevo, implies that the three points have U.S. support.

Croatia: Official Says Amnesty Law 'Could Be Adapted'

AU0208204296 Belgrade BETA in Serbo-Croatian 1830 GMT 2 Aug 96

[FBIS Translated Excerpt] Vukovar, 2 August (BETA)—Ivica Vrkic, head of the Croatian Office for the Transitional Administration in Eastern Slavonia, stated today that the Law on Amnesty for Serbs who live in that region could be amended if the Serb side presents information on war crimes committed in Vukovar in 1991.

Speaking in Vukovar today, Vrkic said that the Law on Amnesty was passed in May this year, but that it could be "adapted." [passage omitted]

Croatia: Official Warns of Attempts To Limit Sovereignty

LD0408100396 Zagreb Radio Croatia Network in Serbo-Croatian 2200 GMT 3 Aug 96

[FBIS Translated Text] Dr. Ivo Sanader, Dr. Vladimir Seks, and Luka Bebic, members of the presidency of the Croatian Democratic Union [HDZ], and Drago Krpina, HDZ deputy secretary general, today attended the extraordinary electoral convention of the local HDZ in Benkovac [southern Croatia]. Bozidar Klaric reporting:

[Begin recording] [Klaric] In his opening speech Drago Krpina said that the convention was taking place as a result of the HDZ presidency's decision to annul the outcome of the electoral convention of the Benkovac municipal HDZ organization held in October last year on the ground that it had contravened the HDZ statute.

Welcoming the convention on behalf of Dr Franjo Tudjman, president of the republic and the HDZ, Dr. Ivo Sanader spoke about Croatia's international position, which he described as very favorable. As he said, this fact was borne out by President Tudjman's visit [last week] to the United States.

[Sanader] The fact that at the height of his presidential election campaign the U.S. President had invited the president of Croatia on an official and working visit indicates that Croatia should not worry about its future, that first and foremost we have succeeded in convincing our partners, both the United States and the key European players, that Croatia is a central European and Mediterranean country, that its place is in the Western integrational processes and in Western military and security systems. This was mentioned yesterday and we can be very satisfied with President Tudjman's visit to the United States.

[Klaric] Vladimir Seks agreed but said that the successes so far, which he attributed to the sound political judgment of the Croatian leadership under President Tudjman, were not welcomed by everyone in the world.

[Seks] The HDZ and its leaders have recognized that at work are attempts to apply more seriously the doctrine of limited sovereignty by political circles in both the European Union and the world in the hope of seeing power in Croatia in the hands of political forces prepared to act in compliance with the strategic and political interests of other states. This has been recognized and we know how to respond to it effectively.

[Klaric] Luka Bebic and parliamentary deputy Hrvoje Sosic took part in the debate. The convention elected a new municipal and supervisory committee of Benkovac HDZ. [end recording]

Croatia: Krajina Liberation Army Threatens Attacks

AU0208131796 Belgrade DNEVNI TELEGRAF in Serbo-Croatian 31 Jul 96 p 1

[Unattributed report: "We Will Declare War Against Traitors; Croatia Will Regret 4 and 5 August"]

[FBIS Translated Text] The Krajina Liberation Army [KOA] writes to:

—The Association of Serbs from "Croatia";

—"President" Milan Martic;

—Other Krajina associations and committees.

Dear Sirs!

What gives you the right to speak on behalf of us Serbs from the Republic of Serb Krajina [RSK] and to represent us in general? Who has authorized you to do that? We certainly have not!

We have had enough of your empty talk (you could go on like that forever), your writings, your appearances on television, and your association with foreigners and the authorities here in Serbia, all of this over our backs. None of this has brought our return to our homes any closer!

We are taking our own destiny into our own hands and, from now on, be advised that the KOA will begin an all-out confrontation with the traitors among the Serb people.

Be advised that Croatia will pay for 4 and 5 August 1996 and for all the ensuing years whenever they celebrate their victory over the RSK. Wherever they gather to celebrate, they will bathe in their own blood, that we can promise, and you can convey the message to them. We shall avenge our dead who have remained throughout all parts of the Krajina only to be trodden on by wild Ustasha hordes. On those dates, all of Croatia will be in flames! We shall not be responsible for the casualties, no matter how many they may be, just as they were not responsible!

We have our weapons, ammunition, and all we need, and we are keeping that hidden in the right place. We are trained well enough and we are courageous enough to embark on our sacred mission.

The liberation of the Krajina and the destruction of the Ustashas! We have nothing to lose except our lives, which no one cares about anyway, because they are pushing us whenever they want, even though we are from here to the Albanian border.

We no longer give you the right to represent us, because of what you are doing in the Krajina—looking out for your own interests only and not caring about the poor and hungry people. We shall bring all of our enemies before our people's tribunal—The Krajina Liberation Tribunal—we are not going to wait for The Hague.

Inform all those whom it may concern so that they do not say that they had not been informed!

Freedom for the Krajina!!!

Krajina Liberation Army

Croatia: Reactions to Krajina Liberation Army Proclamation

AU0308175996 Belgrade DNEVNI TELEGRAF in Serbo-Croatian 2 Aug 96 p 3

[Related articles under the heading "Who Is Behind the Krajina Liberation Army, and What Does KOA Do?"]

[FBIS Translated Text]

Mihajlo Vucinic, Chairman of the Association of Banished Serbs From Krajina and Croatia: The Croats Can Hardly Wait

[Vucinic] There is much bitterness among the Krajina Serbs, and the creation of the KOA [Krajina Liberation Army] could have been expected. We understand these people, but we do not think that this is the best way to help them. I am afraid that the Croats can hardly wait to see such an organization created so that they can justify the continued harassment of the remaining Serbs in Croatia and prevent the return of those who want to come back. The desire for revenge exists in all of us, but at this moment it is best for the Serb people to fight for their rights peacefully and through the strict implementation of the Dayton and Erdut agreements.

Zeljko Raznatovic-Arkan: "Swindlers! They Have Not Even Seen Combat"

[Raznatovic] This is a big sham designed to draw money out of the admirable people of Krajina. If anyone asks for money on behalf of the KOA, I implore people not to give away a single dinar for this stupidity. Terrorism will not get us anywhere. This fraud was conceived by men who had earlier been swindlers, and who have not even seen combat.

Captain Dragan: "I Am Not Involved in That"

[Dragan] I do not wish to comment. Ever since the fall of the Krajina, I have devoted myself exclusively to humanitarian work and the rehabilitation of veterans.

Vladan Vasilijevic, Senior Research Scholar at the Institute of Criminology and Sociology: How To Prove That the FRY Deas Not Support This

[Vasilijevic] The letter written by the KOA and published by DNEVNI TELEGRAF is a typical terrorist pamphlet, a threat of the use of force, with all the elements of terrorism, which is forbidden by international law. The KOA uses unlawful methods to eradicate the far-reaching consequences of ethnic cleansing, which the legal authorities of the RSK [Republic of Serb Krajina] had allowed by capitulating to the forces of the Republic of Croatia. I am afraid that it will be difficult to prove to the UN Security Council and the European Union that Yugoslavia does not support such an organization.

Academician Veselin Djuretic, Historian: A Warning to Europe and the World

[Djuretic] I am against every kind of terrorism, but the creation of the KOA is a final warning to Europe and the world that the Serb issue must be urgently solved. The international community has still not realized the magnitude of the problem, but I hope that it will soon. If they want to have peace in these parts, they have to deal with the destiny of 250,000 exiled Krajina Serbs. If Europe does not compel Croatia to allow the exiled Serbs to return, or pay compensation for their property, the situation will become even more complicated. The people that have been living there for as long as 400 years and have guarded Europe from Ottoman incursions deserve to be treated better by that same Europe.

Boro Martinovic, Secretary of the Association of Exiled Serbs in the Serb Republic: A Consequence of the Behavior of the International Community

The appearance of the Krajina Liberation Army is the result of a passive attitude toward the position of the banished Krajina Serbs and their problems, but it is also a consequence of everything that the Croatians are currently doing to the remaining Serbs in our occupied fatherland. People have to explode, because not very far from their homes they are struggling to survive in exile and uncertainty. I am afraid that everything will escalate, that no one will be able to control the events in the former Croatia. I understand the Krajina Serbs and because of everything we are working very hard in our association to internationalize the Krajina issue and influence the relevant factors in the world to resolve the crisis in a peaceful and civilized way, respecting international norms.

Association of Wounded Veterans of the Serb Krajina: Mikelic Is Behind KOA

Belgrade—Claiming that "one Serb finger is more valuable than a thousand Ustashi heads," Dusan Vukojevic, chairman of the Association of Wounded Veterans of the Serb Krajina, has condemned the Krajina Liberation Army and given the following statement to DNEVNI TELEGRAF: "Terrorism cannot solve political issues. We must forget about illusions and wait for better days. I think that Borislav Mikelic and the other war profiteers are behind this organization. Why, for example, does Cubrilo not go out there and fight? Innocent children will die again in these terrorist operations. We will only generate loathing."

Marinko Djilas, a wounded veteran from the Krajina, says for DNEVNI TELEGRAF: "I completely support the Krajina Liberation Army. If I were healthy, I would join them. My grandfather fought at the Salonika front, my father fought in two wars, and I too am a warrior, and I will send my son off to fight if I have to. I hope that the KOA has a program and that it does not intend to kill women and children."

Wounded veteran Zeljko Cvetkovic: "I do not believe that this organization will do anything, but I do support its work. In order to win, all Serbs must strike against Croatia."

Wounded veteran Krsto Nikolic: "I agree with chairman Vukojevic, as do most of us here, that in order to conduct such an organization we must have serious people. It is useless to lose lives any more."

The Office of Milan Martic: He Will Make a Public Statement

Banja Luka—There is still no reaction from the office of Milan Martic, president of the RSK, in response to the proclamation of the Krajina Liberation Army. In Martic's office they said to DNEVNI TELEGRAF that if it was necessary, "the president of the occupied RSK would make a public statement in the next two or three days."

The Office of Croatia in Belgrade: No Comment

Belgrade—The staff of the Office of Croatia in Belgrade politely told the DNEVNI TELEGRAF reporter that they could not comment on the news of the forming of the KOA because they were very busy. They said that the Croatian reaction could follow today after 0900.

Croatia: HSP Chairman on HDZ, Efforts To Solve Zagreb Crisis

AU0208145996 Zagreb VECERNJI LIST in Serbo-Croatian 1 Aug 96 p 7

[Interview with Anto Djapic, chairman of the Croatian Party of Right, by Darko Djuretek; place and date not given: "Neither the Alliance nor the HDZ Wants To Reach an Agreement"]

[FBIS Translated Text] We spoke to Anto Djapic, chairman of the Croatian Party of Right [HSP] and a representative in the Assembly, about the Zagreb crisis and its possible solution.

[Djuretek] The negotiations between the HDZ [Croatian Democratic Union] and the opposition parties to solve the Zagreb crisis seem to have come to a dead end.

[Djapic] The negotiations between the HDZ and the New Assembly '95 (it is not clear whether there are six or seven parties in the alliance) could not bring any results because they were not really interested in resolving the crisis. Relations between the two blocs have been obstructed ever since the constitution of the town assembly. Their relations are becoming increasingly difficult and frustrating, and the whole story is turning into a farce—I think it already is a farce. The accusations made by members of both blocs are pointless, because all their talk about the interests of the citizens of Zagreb is nothing but a smoke screen for a corrupt political game. Their actions are a model of how Croatian political parties should not act.

Why Protests

[Djuretek] The HSP protested the attitude toward the rightists throughout the entire case. You did not argue with everybody, did you?

[Djapic] The HSP made a protest to all the parties involved in this alleged crisis. We acted in order to unmask all the political factors in Zagreb that are trying to present themselves as tolerant and open to negotiate. They are actually depriving a parliamentary party—and an Assembly party, too—of its right to participate in the negotiations about the Zagreb problem, and this has had a wide impact.

[Djuretek] The HSP made several suggestions for solving the crisis, but nobody seemed to pay attention.

[Djapic] Our suggestions were not taken into consideration because neither party wants to reach an agreement. Neither the HDZ nor the alliance has the power to make serious changes anymore, and they do not even want to. The HDZ is actually satisfied with the present situation. They are trying to present themselves as open to negotiations with everyone except the HSP, although they know very well that the alliance will not give up the post of mayor of Zagreb. On the other hand, the opposition has lost all credibility by sacrificing all their liberal mayors, from Goran Granic to Drazen Budisa, and not resigning from the Assembly—as they said they would—when President Tudjman refused to verify the appointments.

Forced Two-Party System

[Djuretek] Some believe the entire Zagreb case is nothing but a tactical game. What do you think?

[Djapic] That is absolutely apparent, as I have already said. Beneath all that talk about democracy and the protection of principles lies a political clash of mutual pressure. They make decorous statements together, and the next day interviews are published that make the situation in Croatia even more radical. Their policy is exclusive: You are either with or against us. It is extremely difficult to preserve an independent position in that situation. We, the rightists, know that from our personal experience. Small nonparliamentary parties cannot survive alone in this situation, in this attempt to form a forced two-party system!

[Djuretek] Will the rightists form a coalition with any party for tactical or pragmatic reasons?

[Djapic] The HSP is aware of its position on the Croatian political scene. I must admit that the last electoral results were not satisfactory, but we are glad to have entered the Assembly as the only relevant force of the Croatian right. That fact gives us both the right and the duty to believe that we will finally stabilize the party in the local elections. We will also give the voters a new alternative with our very good, modern program.

New Project in September

[Djuretek] Are you negotiating with anyone at all about joint political actions?

[Djapic] The HSP is open to negotiations with the majority of Croatian parties, especially for local elections. We have many contacts on the local level, but it is too early to pass judgment. Anyway, we are working with our closest associates on a project that we will present to other parties and individuals on the Croatian right wing in September. We will not be dramatic. We will avoid the ridiculous idea of a great union of all rightists—we will just offer something new for the elections. I believe we will achieve substantial results if individuals manage to control their personal vanity. We will be happy if we succeed, but we will not grieve if we fail.

The HSP's position is good compared to other organizations and individuals who claim to be Ante Starcevic's [founder of the historic Croatian Party of Right in the 19th century] successors. We are a parliamentary party with many local branches, and our infrastructure is very good, you must admit that!

In Eastern Slavonia Soon

[Djuretek] You have criticized the plans for the reintegration of the Croatian Danube region. Some people think you are being partial.

[Djapic] In the political sense, I have always been able to differentiate between impartiality and opportunism. I have always maintained that a military intervention in the occupied territories is necessary. I must still warn everyone about all the negative consequences of the allegedly peaceful reintegration of the parts of Osijek-Baranja and Vukovar-Srijem counties... The recent events in that field have confirmed my opinion, and time will tell very soon. However, I have never doubted that we would liberate every inch of Croatian territory. On the contrary, I hope that the Croatian people will soon return to Eastern Slavonia. I hope that there will be no fear, no restrictions, no stipulations, and that everything will be good and safe. Thieves, incendiaries, and criminals will leave Croatia, and the Croatian people will return to Baranja, Vukovar, Ilok... That is the only way toward full sovereignty and freedom for the Croatian people!

[Box, p 7]

Lies Are Short-Lived

[Djuretek] Regardless of what the HSP says, some people always talk about your secret connection with the HDZ.

[Djapic] I think the recent situation in relations between the HDZ and the opposition has shown that such allegations are—as they have always been—pointless and ridiculous. Those who make such allegations are acting according to the saying "Catch the thief." I am sure that those who know their way around politics can tell which way the wind is blowing when such allegations are made. But lies are short-lived, are they not?

Croatia: Stanimirovic Expects UN To Extend UNTAES Mandate

AU0208133996 Beli Manastir Srpski Radio in Serbo-Croatian 1600 GMT 31 Jul 96

[Report by Boro Rkman—recorded]

[FBIS Translated Text] The extension of the UNTAES [UN Transitional Administration in Eastern Slavonia] mandate was one of the issues Vojislav Stanimirovic, president of the Executive Council of the Serb Province of Eastern Slavonia, Baranja, and Western Srem, discussed in an interview for Zagreb Radio 101. Our colleague, Boro Rkman, from the provincial press center has more about that.

[Rkman] The beginning of the elections in the Province envisaged by the Erdut Agreement hinges on the length of the UNTAES mandate, said Vojislav Stanimirovic, president of the Executive Council of the Serb Province of Eastern Slavonia, Baranja, and Western Srem, in today's statement to Zagreb Radio 101. He explained that the Erdut Agreement specifies that the provincial elections are to be held one month before the end of UNTAES mandate. Stanimirovic said that 15 January, 1997, as the expiry date for UNTAES mandate, is not controversial and added that, in the sprit of the Erdut Agreement, its signatories have an indisputable right to forward a demand to the UN Security Council to extend the mandate.

The provincial assembly has sent a demand for the extension of the mandate of the UN mission in our district. I believe that, considering the obvious hindrances in the realization of UNTAES mandate, the United Nations will extend its mandate, Stanimirovic pointed out. In the statement for the Zagreb radio, the president of the Executive Council of the Serb Province of Eastern Slavonia, Baranja, and Western Srem said that the

Serb side has launched an initiative to form a special UNTAES elections committee. Explaining the need for such a committee, Stanimirovic said it was necessary to determine schedules, procedures, and criteria for the elections. According to him, the criteria determining the eligibility of voters and the satisfactory solution to the problems of documents are of paramount importance. Such a committee, in addition to preparing and realizing the elections, would be responsible for counting votes and revealing the election results.

UNTAES has still not formed such a committee and, aware of the duties for preparing the elections, I believe the December deadline for the forming of such a committee is unrealistic, said Stanimirovic. In the statement for Zagreb Radio 101, he underlined the importance of gradual steps and patience in the realization of the UN mission and said that a large number of refugees from Western Slavonia accommodated in the district was one of the key problems. Their homes are burnt and property devastated, so they cannot return to Western Slavonia to enable the return of Croatian refugees, as the agreement envisages. This is one of the problems that we will have to tackle jointly, patiently looking for a solution, Stanimirovic said in the interview for Zagreb Radio 101.

Croatia: Hadzic, World Serb Community Official Meet

AU0208193196 Beli Manastir Srpski Radio Network in Serbo-Croatian 1600 GMT 1 Aug 96

[FBIS Translated Text] Our colleagues from the provincial press center have informed us that Goran Hadzic, president of our province, met with Mr. Misa Milosevic in Erdut.

"Mr. Misa Milosevic's visit proves that we have not been left to ourselves, and it assures us that we are going to stay here," said Goran Hadzic, the president of the province, following talks with Misa Milosevic, secretary general of the World Serb Community [Svetska Srpska Zajednica], in Erdut today.

Hadzic added that they discussed the presence of NGO's in the province.

Misa Milosevic, secretary general of the World Serb Community, told the correspondents that specific NGO programs to help the people of the province may be expected in the early fall. He emphasized that the World Serb Community has been keeping up with and directing attention to the difficult position and harassment of the Serbs in Croatia. In 1991, we were the first ones to point out to the UN Security Council how the Serbs in Croatia were being treated, and we continue to regularly submit reports on it, said Milosevic.

According to Milosevic, the World Serb Community makes the utmost efforts to carrying out various activities aimed towards protecting the interests of the Serb people, particularly in the area of human rights.

The activity of the World Serb Community in the province will very soon be coordinated from a special center in Vukovar, announced Milosevic.

Slavko Vejnovic, assistant minister for Serbs outside Serbia, also took part in the talks.

Croatia: Oil Extraction Preparations To Begin at Djeletovci

AU0208192296 Beli Manastir Srpski Radio Network in Serbo-Croatian 1600 GMT 1 Aug 96

[FBIS Translated Excerpt] Dr. Vojislav Stanimirovic chaired the session of the executive council of the Serb province of eastern Slavonia, Baranja, and western Srem, which was held in Vukovar this afternoon. It was decided in talks with UNTAES [UN Transitional Administration for Eastern Slavonia] and the Croatian side—which are, at the moment, focused on resolving the Djeletovci oil fields issue and opening the UNTAES administrative offices for document (?identification)—that the provincial government will consistently implement the Erdut Agreement.

In view of the above decision, the provincial government (?postponed) signing the memorandum on the opening of UNTAES administrative offices for documents, as the proposed text is not completely in accordance with the decisions adopted by the mixed committee in charge of the matter.

Borislav Jocic, secretary of the provincial secretariat for economy and energy, submitted a report on the negotiations on the Djeletovci oil fields according to which the Serb side agreed that technical preparations for oil extraction should begin. The process should take about two months. However, the position on the minimum Serb demands concerning the financial aspects of extraction has remained the same.

The report on negotiations concerning the status of public companies and property in general sparked a great deal of discussion. The government adopted the decision to propose to General Klein, UN transitional administrator for the Serb province, that a special committee for property rights relations be formed to resolve the overall issues of state and private property in the spirit of the Erdut Agreement.

One burning issues is the financial situation of the province's electricity industry, considering the unpaid debt for power used. The report submitted at the government session implies that it is possible that the debtors, and perhaps even the entire province, may no longer have power. The government therefore appeals to the executive councils, municipalities, and communities to [words indistinct] to find a way to pay the debts of public companies, businessmen, (?individual legal) persons, and organizations. The appeal was also sent to UNTAES, whose debt to the electricity industry is among the highest at 1 million dollars. [passage omitted]

Poland: President May Bring Slander Charges Against Official

LD0208140096 Warsaw Polskie Radio First Program Network in Polish 1100 GMT 2 Aug 96

[FBIS Translated Text] The Warsaw Province prosecutor's office has refused to begin preliminary proceedings against Pawel Moczydlowski for publicly slandering President Aleksander Kwasniewski and Leszek Miller, head of the Council of Ministers Office.

At a news conference in June of the 100 Movement, Pawel Moczydlowski, former head of the Central Administration of Penal Institutions, said that Internal Affairs Minister Zbigniew Siemiatkowski should be asked whether Aleksander Kwasniewski and Leszek Miller were behind the code names of Russian spies Kat and Minim.

According to prosecution service spokesman Ryszard Kucinski, verification proceedings in this case have confirmed that Moczydlowski's remarks may be regarded as slander, an offense that is prosecuted privately.

In the event of charges being brought before the court privately, within 14 days the prosecutor's office will hand over to the court the documents it has gathered so far. These documents include film footage containing Moczydlowski's remarks and a shorthand record of the 100 Movement news conference.

Poland: NIK on 1995 Budget Implementation

WS0208140296 Warsaw GAZETA WYBORCZA in Polish 2 Aug 96 p 16

[Article by Pawel Wrabec and "SAD": "The Supreme Chamber of Control on the 1995 Budget; Good Government, Bad Bank"]

[FBIS Translated Text] *The President of the Supreme Chamber of Control [NIK] praises the government for implementing last year's budget and criticizes the National Bank of Poland [NBP] for its monetary policy. In line with the information provided by NIK, among the companies that owe the state budget the most are two excellent banks: Bank Handlowy and Bank Rozwoju Eksportu.*

I like last year's achievements of our economy, particularly the 7-percent economic growth (it was envisioned that the economy would grow by only 5 percent)—this is how NIK President Janusz Wojciechowski began his news conference; Wojciechowski was appointed to this office as a deputy of the Polish Peasant Party. He said that another big achievement was the successful attempt to reduce inflation to 21 percent, although the government predicted that it would be kept down at the level of 17 percent.

However, the NIK head assailed the central bank for reducing its interest rates too slowly. According to him, the NBP made its greatest mistake when, instead of lowering interest rates in February 1995, it raised them. A few hours later, this allegation was warded off by the NBP president, who called an ad hoc news conference. According to Hanna Gronkiewicz-Waltz, it was necessary to raise the interest rates in February 1995 because the NBP had to react to the rising inflation. She believes that NIK's criticism concerning the excessive growth of foreign exchange reserves is baseless as well. "No one was able to predict that the breakdown on the capital market in Mexico would result in such a great inflow of capital to the countries of our region," she said.

Who Is Not Paying for Himself...

The item that attracts one's attention in the 500-page analysis of the budget implementation is the list of companies that were the biggest debtors in December 1995. At the very top of the list of firms that were in arrears with their income taxes is Polish Oil and Gas Production (479.7 million zlotys—Z). Next on the list is the Polish-German Reconciliation Foundation (Z71.8 million), followed by prosperous and well-known companies such as the Bank Rozwoju Exportu (Z20.8 million) and the Bank Handlowy (Z16.6 million). Another big debtor is the Sendzimir Metallurgical Plant. The NIK report contains figures only. Unfortunately, we failed to hear comments on this issue. "Please call again tomorrow," we heard at Bank Rozwoju Exportu, Bank Handlowy, and the Sendzimir Metallurgical Plant.

And Who Is Not Paying for His Employees?

There was also a list of companies that owed the budget the most due to the fact that they were late with the payment of the income tax on natural persons—their employees. First on the list is Ursus [tractor factory]—Z15.6 million, followed by coal-mining companies.

President Wojciechowski complained about the poor tax collection. Over 1995, the amount of unpaid indirect taxes (excise, value-added tax, import tax) in companies increased by nearly 20 percent, and on 31 December these outstanding payments exceeded Z1.7 billion, whereas all of the [budget] revenues came to Z83.7 billion.

Wojciechowski also said that the government has too much freedom in creating all kinds of budget reserves (in 1995 they constituted approximately 10 percent of the budget). NIK was also worried about the size of targeted funds, which "are too big and spend money too easily." NIK is carrying out a detailed inspection in the biggest funds—the Fund for the Rehabilitation of the Disabled and the Environmental Protection Fund.

President Wojciechowski criticized the finance minister for borrowing $300 million from foreign branches of Polish banks for salaries for the public-sector employees. Kolodko received this loan in early 1995 (the state coffers temporarily did not have enough money), although the Budget Law did not entitle him to do so.

Poland: 1996 Privatization Results, Plans Detailed

WS0208100096 Warsaw NOWA EUROPA in Polish 1 Aug 96 p 19

[Article by Zbigniew Kozakiewicz: "Poor Quantitative Results of Privatization in the First Half of 1996; More Companies To Be Privatized in the Fall?"]

[FBIS Translated Text] Opinions on the rate of privatization are divided; some people are outraged and condemn the Privatization Ministry for privatizing so few companies, while others express satisfaction at the good financial results that were achieved in privatization.

To present the results of privatization in the first half of this year very briefly, one must say that only the shares of eight companies were sold, but the revenues from these transactions reached 70 percent of the privatization revenues projected in the budget. Thus, it can already be expected that as far as the revenues from privatization are concerned, the ministry will fulfill its quota; it may even do better than that. However, the number of the companies privatized is bound to be unsatisfactory.

A Few Figures

It must be recalled at this point that last year 26 companies were privatized, in 1994 35 companies, and in 1993 as many as 48 firms. Thus, even if the result achieved this year is similar to last year's, it will still be rather poor compared to the 1993 result. One can rightly point this out, although revenues from privatization will be much higher than in the year that saw the biggest number of privatization transactions because, if such a privatization rate were maintained, it would take many years to privatize a few hundred companies that are still to be sold.

Although Privatization Directions [a government program] envisions that privatization will be launched in 90 companies this year, it must be pointed out that those who made such an impressive assumption pinned great hopes on the introduction of a procedure that will allow company shares to be sold to bidders. The thing is, however, that it is not certain how the market will react to such a way of selling shares. For this reason, it is difficult today to predict the quantitative results of this year's privatization.

Nonetheless, it is worth noting that, in the first half of 1996, as many as 97 companies were commercialized. This number is bigger than in the previous years. It also proves that the rate in which the Privatization Ministry is continuing its work on new privatization projects is sufficiently rapid.

In the statements that Privatization Minister Wieslaw Kaczmarek makes for our daily, one can often hear the problem of bringing temporary and long-term political disputes to the area of privatization. This phenomenon is not new, but one can say that its intensity has increased in recent months. After all, we still remember very well the campaign that preceded the enfranchisement referendum and the numerous statements made after it was held—statements directed against privatization. Another example is the bed of thorns the law on commercialization and privatization had to go through, although the urgent need to introduce it was obvious.

It also is worth recalling the recurring attempts to dismiss the privatization minister from his post. In a situation when privatization is not generally supported, all of this is not conducive to creating a favorable atmosphere around it. This atmosphere, in turn, must affect the attitudes adopted by the work force.

Thresholds and Blockades

While pondering over the rate of privatization, one must not ignore the fact that the number of consumer-goods manufacturers to be privatized is decreasing. It must be remembered that these companies are the easiest to privatize. Here is an example: Shares of the companies manufacturing cleaning and personal hygiene products, cosmetics, paint, varnish, and so forth were sold without any big problems.

The privatization of the pharmaceutical industry, for instance, is far more complex because, aside from economic factors that come into play here, there are social issues related to the entire problem of reforming the social security system that must be considered. Many sectors that are difficult to privatize for various reasons are being privatized right now.

For many months, the real barrier to privatization was the fact that we did not have a law on commercialization and privatization (it has finally been passed but has not entered into force yet). Employees waited for it because they wanted to receive, free of charge, up to 15 percent of the shares of the companies they were working in, regardless of the method or technique used in the privatization process. Potential investors, in turn, waited for incentives, such as the possibility of paying for the purchased companies in convenient installments. It is hard to specify exactly how greatly the lack of this law affected the privatization rate, but it is beyond doubt that this influence was significant.

New Circumstances

Other circumstances affecting privatization have also changed. The Law on Public Orders [zamowienia publiczne], however right it is, has led to a situation in which selection of the consulting firm that is to help privatize a given company takes several months, whereas a few years ago this issue could be settled within a few days.

Finally, it is worth recalling other considerations as well. Three or four years ago, the entire privatization process was badly received ("privatization of thieves" or "scandalous privatization"), particularly among employees. By now this has changed, emotions have subsided, and conflicts related to privatization have died down.

According to Jacek Strzelecki, deputy director of the Privatization Department [at the Privatization Ministry], the quantitative indexes of the privatization process this year will not be worse than in 1995. Thus, we will see more companies privatized in the second half of the year.

Privatization in the Second Half of the Year

As for the more interesting privatization projects in the second half of 1996, we can mention privatization of the five big pharmaceutical firms, privatization of heavy chemical industry plants and plastics manufacturers. Transformations in the brewing industry, the food-processing industry, and the sector of electrical appliances will be finalized.

A separate place in the privatization plans is envisioned for such large companies as RUCH (which has 16,500 outlets and employs 15,700 people), the Centrum Department Stores (31 department stores in 24 towns and cities), the Polish Food Trade (100 large wholesalers, 800 shops, 8,000 employees). The shares of these companies will be sold over the next few months, and privatization will be implemented in a considerable portion of the plants and will affect thousands of employees.

Only those who like precise statistics and quantitative indexes will have a hard time—how can all this be counted? Can RUCH or the Polish Food Trade be seen as one privatized company or as a company and a half? This shows how unreliable evaluations of privatization based only on the quantity of the privatized companies may be. Despite that, the opinion that privatization is too slow is certainly justified.

Romania: Tinca Assesses NATO Integration Prospects

AU0408200996 Bucharest ADEVARUL in Romanian 29 Jul 96 pp 1, 4

[Interview with Romanian Defense Minster Gheorghe Tinca by Bogdan Chirieac; place and date not given: "We Do Not Have To Accept as Fait Accompli that NATO Access Is Limited to the Visegrad Group"]

[FBIS Translated Text] [Chirieac] Mr. Minster, what aspect of domestic or international developments moved you to make that appeal or warning to the West—via a well-known press agency—whereby you drew attention to the possible consequences if Romania were not admitted to NATO?

[Tinca] I do not think that I can mention a precise domestic or international event that moved me to—one could say—pull the alarm signal. In fact, I am not sure whether what I did was unusual. I see this simply as the logical continuation of our determination to integrate into European and euro-atlantic structures. The positive offensive that we are currently carrying out is nothing more than a demonstration of that determination. Maybe some people are surprised by the boldness with which we are defending our interests, but we must act sometime.

I believe that we have reached an adequate level in our partners' confidence regarding the solid and irreversible character of our desires and that we can now comfortably express our viewpoint. Expressing our viewpoint is necessary, especially when we consider what errors could have been made, resulting in negative effects on us and others.

Likewise, in a way, I feared that, busy with preparations for elections, both the political forces as well as the mass media would pay less attention to the developments that are taking place in the process of NATO expansion. The official position of the states that are currently members of the alliance has not changed substantially. However, the increasingly frequent speculations about the three or four countries of the Visegrad group that will join NATO in the first wave could lead to the acceptance of a fait accompli. Even if that happens, I believe that it is still important, at least for history's sake, that we express our viewpoint about it. Now we are free and we are duty-bound to do so. Therefore, we must continue the offensive that we started and support it with facts, and play all our cards with imagination and determination. And we should do this even though we risk being irritating at times. We are acting for our legitimate interest, which, I am convinced, is in line with the interests of security and stability of the Central-European region and the entire continent.

[Chirieac] What do you think is the major security risk for Romania today?

[Tinca] The fact that the Russians are worried about their domestic situation concerns us, as does the fact that the West is concerned about developments in the formerly Soviet-controlled areas. We are wary of everything that happens on our eastern side. There are all kinds of possibilities for unexpected things to happen, and these are the risks that we must take into consideration.

Hungary's anti-Romanian feelings and the Hungarian irredentism that we believe is, in a way, curbed by the currently prevailing European spirit, are for us, Romanians, critical issues. It may be difficult for others to understand that. Even if we want to believe that these two "evils" do not constitute Budapest's state policy, they still exist, and, as far as we can tell, are supported by very strong lobbies. True, these lobbies could not stop the granting of the most-favored-nation status on a permanent basis, but I do not believe that anybody could be insensitive when living with these potential threats on the doorstep. If we add to all this the fact that the major political organization—because, in fact, that is what it is—of the Hungarian minority in our country is reluctant to integrate into the domestic political life, as well as the ethnic tension in the Balkans, we see yet more possible security risks.

In addition to these specific risks are others, such as extremism, nationalism, organized crime, drug trafficking, not to mention terrorism. We are becoming increasingly bound to each other—nobody can be isolated. However, apart from the advantages that derive from this, there are also risks, and we have to cope with them together. We are living in an area whose security situation is not yet clear; to our south, for example, we are neighboring an unstable area, the Middle East. The processes that we have put together after the Cold War, although irreversible, nevertheless will remain vulnerable to some threats that we cannot ignore.

[Chirieac] How do you see Romania's current chances to integrate into NATO in the first wave?

[Tinca] If we are going to speak in terms of waves, I believe there will be only one. So far, I can find nothing that would indicate that there will be other waves after the first one.

The countries that supposedly are included in the first wave are the countries neighboring Germany, and they owe their current position to Germany's legitimate interests regarding NATO expansion. Nobody can blame Germany for the fact that it supports those countries and that it promotes its own interests by wanting NATO member countries to its east in the future. If Germany is the promoter of the pattern expansion in the first wave, then I do not see any other country that might play the same role in a second wave. I am convinced that the expansion will end there due to a lack of directly interested supporters, and the rest of the countries will have to be satisfied with Partnership for Peace, which will not mean nearly as much as the special connection between the alliance and Russia.

Therefore, I believe that it is a mistake to talk about further waves. It is a simply a way to placate those who will not be part of the first wave.

I also believe that it is inappropriate to talk about NATO expansion. Back in 1994, I made a remark that went unnoticed at that time; I said that, in reality, we can talk about integration of some countries into NATO, not about the alliance's expansion. And now, we will see that the alliance is not expanding per se, rather it is staying open to those who wish to join it. The final decision will certainly rest with the members of the alliance, who will evaluate each case individually. The fact that NATO is and will remain open, gives each country the opportunity to request admission if it wishes to do so and compels, at least out of politeness, an answer. Therefore, I would replace the notion of expansion with that of opening. Add to all this the fact that there is a distinct process involved, and I believe that we have guidelines that will allow us to overcome difficulties at the start and avoid making errors. After so much theory, let me return to your question. I believe that we have the same chances as any of the three or four countries frequently mentioned as part of the first wave. However, we must insist and persuade people that our entry into the alliance is not only in Romania's interest but in the interest of the whole area.

[Chirieac] Given the fact that you said that there will not be a second wave, what can Romania do if it does gain admission into NATO?

[Tinca] When someone asks me this question, he probably expects my answer to support speculations to the effect that Romania will turn to Russia, falling under its sphere of influence. Others, especially those who work for Romanian language radio broadcasts abroad, immediately speculate, trying to raise once again the question of the firmness of our decision to integrate into Western structures. Obviously, they have not carefully done their homework over the past few years, because if they had, they would realize that there is no trace of doubt in my statements regarding Romania's option. They have fallen in love with a toy and do not want to part with it.

Therefore, I am going to tell you that, in the event—which is difficult for me to imagine—that Romania definitively remains outside NATO, our fundamental preference nevertheless will be a Westward orientation. However, in order to exist and to preserve our freedom to choose this option, Romania will have to associate in some manner on a regional and continental level, but this will not mean that it will automatically fall under the influence of Russia or that it will join a new treaty such as the Warsaw Treaty. All this is childishness.

[Chirieac] Will the fact that this year in Romania the political parties have been and will be for a long time engaged in electoral campaigns affect decisions regarding our country's entering NATO?

[Tinca] The electoral campaigns this year will not have a negative effect on decisions regarding our association. From Romania's perspective, one saw that integration efforts were more intensive precisely during the campaign for local elections. Why would they not be the same also in the next elections? In a situation where 95 percent of the electorate is in favor of Romania entering NATO, I do not see what party could permit itself to have a different opinion. That would be political suicide.

From an external perspective, after the U.S. Congress has granted us the most-favored-nation status on a permanent basis, it will be clear that an electoral year does not hamper—shall we say—the great decisions. In fact, the decision favorable to our integration into NATO should not be linked to one party or another, but to the national interest of our country, of all Romanian citizens, even if some are of a different ethnic origin.

[Chirieac] Without violating military secrets, could you speak about the major programs for the modernization of the Romanian Army with a view to joining NATO?

[Tinca] In a broad sense, everything we do in the long and complex process of the army's reform coincides with the need to become compatible and to acquire the capability to be interoperational with NATO.

In a more narrow sense, interoperability means some very precise things, such as speaking the same language; having the same language, concepts, and way of thinking; and having the necessary communication equipment. Other things refer to strictly technical matters that do not imply major expenses or adjustments. I am referring here to an initial phase, because further interoperatibility presumes more profound changes. This in no way refers to the issue of armament from a unique source or elimination of the national defense industry, as some people would try to have us believe. We have 19 programs of interoperatibility that are generally known, and we are working towards their fulfillment.

[Chirieac] If, after the fall elections, the opposition forms a new government, how would you feel about continuing on in your role as defense minister?

[Tinca] This is a sensitive question. An answer would imply that the opposition will win the elections, something that would make my government colleagues throw me weird looks.

All jokes aside, I can tell you already that there is a clear need for my position to be filled by a political, trustworthy, prominent, and respected person, no matter which party is ruling. The system has its own rules, which take their revenge if you do not understand them. This is true everywhere, and we are no different. Given the fact that I am not a member of any party because I continue to be true to my status of diplomat, it will be increasingly difficult for me to be noticed when I express the needs of the army, and it will also be difficult to keep this portfolio. I hope that by then we will have a clear picture regarding our entry into NATO.

Romania: Spokesman Expresses Satisfaction Over MFN Status

AU0308202796 Bucharest Radio Romania Network in Romanian 1900 GMT 3 Aug 96

[Statement by Sorin Ducaru, spokesman of the Romanian Foreign Affairs Ministry; in Bucharest on 3 August]

[FBIS Translated Text] U.S. President Bill Clinton has signed the bill granting Romania most-favored-nation [MFN] status on a permanent basis. This represents the last stage of a process, during which it had to pass through the U.S. legislative body, and when we experienced suspenseful moments, as you journalists would say, a stage that actually marks the moment when the aforementioned bill becomes effective. [sentence as heard]

I would like to point out that the bill could have become effective automatically, ten days after its sanctioning by the U.S. Senate. The fact that it was signed by the U.S. President, as well as the fact that this signature was accompanied by a written statement made by President Clinton, emphasizes the significance of this moment, I believe, a significance that one could discover in the very written statement of the U.S. President, that his having signed the bill represents a turning point in relations between the United States and Romania. This is a turning point which actually expresses the opening of very strong ties with the United States, especially following the highest-level visit paid there last year by President Iliescu, which was followed by an intense political dialogue, as well as by a stimulation of economic ties between the two countries; these relations have been defined as privileged ones.

Therefore I believe that now we reached a stage in which we could concentrate our attention more, or more firmly, on the principle objective of our foreign policy, our euro-atlantic integration. To this effect we are holding certain trump cards, such as the firm option existing among our public opinion, as well as the Romanian political class, and our very firm efforts made to that purpose within our cooperation with the United States. [sentence as heard] As a matter of fact, I would like to quote some of the words used by the U.S. President in his statement, specifically the ones referring to Romania's excellent record, as he put it, not just in the observance of the human rights on free emigration, but also on the considerable progress made by Romania in establishing the fundamentals of democracy and a market economy, as well as its cooperation with the United States. These all were reasons that the U.S. President expressed his faith in the fact that Romania will achieve further progress in its integration within the community of Western democracies, that is, on its way to integration in the largest possible sense.

Briefly, we have now reached a point from which we will must concentrate our efforts toward achieving a perhaps even more important, but perhaps also more difficult objective, which can solely be reached if intense efforts are being made both here, in Romania, and also by Romanian diplomacy abroad. Actually, this was also the core of the Foreign Minister Teodor Melescanu's message that he conveyed during this week's conference he held in Bucharest with representatives of the Romanian diplomacy.

This is an achievement that was supported not just by the two parties in the U.S. legislative body, but was also widely backed by the entire Romanian political spectrum, and this backing is our strong point whenever things have to be achieved pertaining to the fundamental objectives of Romanian national interest. From now on the same wide backing will be channeled toward achieving our integration within the North-Atlantic Alliance.

Romania: World Meeting of Hungarian Reformed Church Held

AU0508090296 Bucharest Radio Romania Network in Romanian 0400 GMT 5 Aug 96

[FBIS Translated Text] The events of the world meeting of the Hungarian Reformed Church continued yesterday in Satu Mare, with the dedication of several reformed churches and a meeting at a future reformed collegium, whose construction will cost over $1.5 million. Our correspondent reports that the reformed faithful will meet in Carei today, with the other manifestations scheduled to continue in Sfantu Gheorghe and Oradea, as well as in Yugoslavia, Ukraine, Slovakia, and Hungary, until 21 August.

The BBC correspondent noted a somewhat smaller attendance in Satu Mare compared to Oradea, where the inaugural ceremony took place. Bishop Laszlo Tokes thanked the Romanian authorities for the meeting proceeding without incidents so far, Radio Kossuth reports.

In an interview for the same radio station, Laszlo Tokes said—in reply to a question about possible political and irredentist manifestations, which he rejected—that, aside from observing the borders, the Hungarian reformed faithful outside Hungary, who are almost as numerous as those within the motherland, are striving to remake the integrity and original structure of the church. Many of them are currently living in Transylvania and Partium—parts of the Transylvanian Principality and the Hungarian Kingdom—which must regain their place in the confessional and religious map of all Hungarians. Denying any trends for separation and union with Hungary, the bishop said that, on the other hand, it is natural, quote, that everything that was an entity at some point should want to become an entity again.

Mr. Laszlo Tokes was elected the new president of the World Union of Reformed Hungarians.

Romania: Hungarian Party Leader Addresses Church Conference

LD0408165896 Budapest Duna TV in Hungarian 0724 GMT 4 Aug 96

[Speech by Bela Marko, chairman of the Hungarian Democratic Union of Romania, at the opening of the Third World Conference of Hungarian Reformed Churches in Oradea, Romania on 3 August—recorded]

[FBIS Translated Excerpt] We owe the Hungarian Reformed Church members of the world not only a greeting, but thanks. At a time when our secular institutions have proved to be fragile, when our community—as a toy at the hands of ideologies alien to God and people—has appeared to disintegrate, fall apart; the mother tongue and culture have found shelter within the walls of the church. Is it possible to draw a distinction between the domains of the human soul, can we say that eternal faith and duty toward God stops at a given point; while mortal traditions, culture, and national feeling begin there? As far as we are concerned, the priests, the teachers, the professionals who accept service have always been jacks-of-all-trades.

Many people fear this extra element, perhaps, and they query this service—they try to weaken this community-generating force when they attack the world conference. They fear the visible expression of unity, our togetherness based on faith, conviction, and affection.

However, it is not this togetherness that has political content, but the attack directed against it, which casts doubt on the oft-expressed will for democracy and tolerance.

Our unity, the unity of the Hungarian Reformed Church members of the world, and Hungarian events—even if they are of a different character—are based not on intentions that could be interpreted in one way or another, but on facts, the undeniable fact of our 1,100-year existence here, the fact that we have produced material and intellectual wealth, the fact that we have kept our community awareness alive in the harshest conditions, the fact of our mother tongue and national feeling that link us together.

What we have are not intentions, but natural rights. [applause]

The Hungarian Democratic Union of Romania intends to rely on the churches, and it intends to support them in their endeavors. I wish the Hungarian Reformed Church members of the world fruitful, creative coexistence, I wish spiritual and intellectual enrichment for all of us, the strengthening of our religious, national, community, and general human solidarity. [passage omitted]

Romania: Hungarian Bishop Reassures Government About Intentions

LD0408151796 Budapest Duna TV in Hungarian 0605 GMT 4 Aug 96

[Speech by Bishop Laszlo Toekes, honorary chairman of the Hungarian Democratic Union of Romania and head of the World Federation of Hungarian Reformed Churches, at the opening of the Third World Conference of Hungarian Reformed Churches in Oradea, Romania, on 3 August—recorded]

[FBIS Translated Excerpt] [Passage omitted] My dear brethren, in the spirit of this sermon and what I have said, I ask you to listen to this brief document which bears the title: What do the Hungarians of the Hungarian Reformed Church want?

In the spirit of this sermon, let us say clearly why this world meeting is taking place, what its intentions are. What do the members of the Hungarian Reformed Church want? We owe it to ourselves, too, to reply to this question amidst the challenges of our era and our changing society, especially after the 1989 turnabout which brought an end to the period of communist atheism, and even more so in connection with the life of the members of the Reformed Church beyond the borders, who have a dual minority status.

It is especially necessary to find a credible reply because the Third World Conference of Hungarian Reformed Churches beginning today has sustained external attacks and accusations stemming from misunderstanding, hostile feeling, and religious and national intolerance.

We, first and foremost, with the dignity of our faith, firmly reject the groundless accusations and aspersions cast on our Hungarian Reformed Church identity, in connection with the world conference at the time of its preparation. The fact alone that Romania was chosen as the venue for our Third World conference is undoubtedly recognition of the country's democratic legal system and of the freedom provided by its Constitution and laws for its minorities and religion. We are convinced that Romania's good reputation will be served if the legally recognized Reformed Church of Romania can hold, freely and without disruption, the Third World Conference of Hungarian Reformed Churches. [applause]

On the other hand, however, the country's reputation, international credibility, and interests are harmed by those who intend to limit, in any way, the freedom of operation, assembly, and movement of the constitutionally recognized Reformed Church of Romania, which has about 1 million members. Allow me to read this passage out in Romanian, so that it can understood by those who are listening in Romanian. [passage omitted]

We say, therefore, that the members of the Hungarian Reformed Church assembled here have good intentions for the people of Romania, and on the basis of the gospel are well intentioned and favorably disposed toward all of the country's religious denominations. They wish, with their prayers and good services, to facilitate Hungarian-Romanian reconciliation and fraternal rapprochement between the various religions. [applause] [passage omitted]

Our open-minded and fraternal attitude, which will also be expressed at the ecumenical ceremony in Timisoara on 5 August, however, does not rule out our unwavering insistence on our own faith, our religious and national identity. [passage omitted]

Romania: Hungarian Churches Protest 'Hostile Propaganda'

LD0108140396 Timisoara Radio Timisoara in Hungarian 1100 GMT 1 Aug 96

[FBIS Translated Excerpt] The presidium of the Reformed Church's Bucea diocese [in Transylvania] has sent a statement to the state secretary for religious affairs at the [Romanian] Ministry of Education.

The statement firmly denies accusations made by State Secretary Ilie Fonta in a letter dated 29 July. The letter implied that the world meeting of Hungarian Reformed Churches may have a political-extremist and irredentist nature. The statement makes it clear that the event will not go beyond the framework of liberties and church autonomy as laid down in the Romanian Constitution. The church leaders express their concern over the fact that the majority of the Romanian press has been engaged in hostile propaganda. [passage omitted]

In its closing paragraph, the statement appeals to the government, democratic parties, and the public to dissociate themselves from unfounded attacks against the Reformed Churches and their forthcoming meeting.

Romania: Authorities To Monitor Meeting of Hungarian Churches

LD0108134296 Budapest Kossuth Radio Network in Hungarian 1000 GMT 1 Aug 96

[FBIS Translated Text] The Romanian government's State Secretariat for Religious Affairs has announced that its representatives will try, on the spot, to follow events at the world meeting of Hungarian Reformed Churches, which is to be held in Transylvania [northwestern Romania, on 3-10 August], and will take appropriate measures, if necessary. Tibor Bogdan reports from Bucharest:

[Bogdan] State Secretary Ilie Fonta said that his representatives will keep a detailed record of statements made at the meeting and the participants' behavior. However, they will not be authorized to intervene or suspend the meeting if it turns into a political one. However, if this happens and the programs turns out to have a nationalistic, chauvinistic, irredentist, revisionist tone, the government body will propose to parliament and the entire Romanian society that legal measures should be prepared and approved which would prevent similar events in Romania in the future, the state secretary announced.

Slovenia: Britain's Portillo, Kacin Discuss NATO Expansion

AU0208130596 Ljubljana DNEVNIK in Slovene
1 Aug 96 p 6

[Article by C.D.: "Slovene Advice Cherished"]

[FBIS Translated Text] Ljubljana, 1 August—NATO expansion and Slovene plans for integration with this organization were the main topics of yesterday's talks between the Slovene Defense Minister Jelko Kacin and British Defense Secretary Michael Portillo. Both partners concluded that bilateral relations were at an outstandingly high level and that this particularly applied to cooperation between the defense ministries.

"The talks concentrated chiefly on the process of NATO enlargement and the fate of those countries that perhaps will not be admitted in this organization in the first circle," Jelko Kacin said. He said that Slovenia with the law on the fundamental defense development tasks by the year 2003 drew very close to NATO and also that we met the five preconditions that NATO asks for membership. We also formed the international cooperation unit with which the Defense Ministry in the future hopes to cooperate as often as possible at the joint maneuvers with our neighbors and, thus, prepare for the membership.

"I am happy and satisfied with the progress in Slovenia, especially the new laws that regulate the army structure," British defense secretary, who visited Slovenia within the tour of some Central and East European countries, said. He emphasized that Slovenia was definitely "a credible candidate for the NATO membership." As is known, the mechanisms of the expansion and the possible new members will be discussed in the autumn and the winter, and only in the spring next year will NATO begin proper negotiations with the serious candidates. Portillo did not want to say whether anyone had special advantage over other candidates.

Asked by a journalist about the possible sale of British military technology, Portillo replied that Slovenia would in the future definitely also purchase some pieces of military hardware that would have to meet NATO standards and that British military industry can provide these. "The British industry is good at manufacturing communications equipment, antiair defense systems, and aircraft, for which the chances of sale appear to be the greatest. Since the lifting of the arms embargo Slovenia has been an open country for trade," Portillo said.

Of course, both ministers could not avoid the debate on the situation in Bosnia. "Great efforts of the international community will be required for the reconstruction of Bosnia," Portillo said and added that an adequate security structure will also have to be created in that country. "We particularly cherish Slovenia's advice on Bosnia because your country is closer to Bosnia and you thus know it better," British defense secretary said.

Portillo was later also received by President Milan Kucan and Prime Minister Janez Drnovsek.

Slovenia: Officials Concede Engaging in 'Illicit' Arms Trade

LD3107161896 Belgrade TANJUG in English
1550 GMT 31 Jul 96

[FBIS Transcribed Text] Ljubljana, July 31 (TANJUG)—Slovenia has conceded that it started illegally arming itself in 1987, as part of preparations for the unilateral secession from the former Yugoslavia, and that it later delivered war materiel to Croatia and the Bosnian Muslims.

The defense and interior ministries were in charge of the organized illicit arms trade through 1995, according to a report on arms trade submitted by the Slovenian Government to parliament on Wednesday.

Slovenia has thus officially conceded that it was violating the U.N. embargo on arms deliveries to the former Yugoslavia.

The embargo was violated also by quite a few Western and Asian countries, with deliveries made to Croatia and the Bosnian Muslims.

According to the government report, Slovenia also provided all-round logistics support to Croatia and the Bosnian Muslims.

The chief decisions on arms deliveries to Croatia and the Bosnian Muslims from or via Slovenia and across the so-called open border with Croatia were taken by the Slovenian Defense Council, headed by President Milan Kucan.

The government report, based on data provided by the Interior Ministry and security and intelligence services, specifies that arms were delivered to Croatia and the Bosnian Muslims for a battle 'against the Yugoslav People's Army and Serbs.'

Serbia

Serbia: ND Chairman Mihajlovic Views Party Policies

AU0208201596 Belgrade POLITIKA in Serbo-Croatian 31 Jul 96 p 12

[Report by Stana Ristic on interview with New Democracy Chairman Dusan Mihajlovic; place and date not given: "A Peace-Oriented Coalition Is the Best Proposition for Voters"]

[FBIS Translated Text] "Our goal is for things to be a little better every day," Dusan Mihajlovic, chairman of the New Democracy [ND], said, showing in this way that he believes a policy, as defined, to be successful if it manages to achieve the realistically possible. New Democracy, the party headed by Dusan Mihajlovic, is an unusual phenomenon on the Serbian political scene—from their independent appearance at the elections, through a coalition with the SPO [Serbian Renewal Movement], it has come to be a partner of the SPS [Serbian Socialist Party] in the Serbian Government. At the same time, it seems that it has remained true to its original program and concept.

What are the views that New Democracy "presents" to other parties when it offers them cooperation or coalition?

On Worthwhile Options and Worn-Out Slogans

[Mihajlovic] New Democracy has always had a clear peace-oriented and pro-European direction. We have always worked to achieve tolerance, dialogue, and compromise between the incumbent party and the opposition parties and between all other carriers of political dissimilarity. We are against extremes, coercion, and threats. We are particularly against violence in political life. The doors of cooperation, and even coalition, with New Democracy are open to all who share these views.

[Ristic] The ND chairman makes a distinction between coalitions made in elections and those "in action." By the latter, he refers to, for instance, the peace-oriented coalition—between the SPS, New Democracy, SPO, the Citizens Alliance of Serbia [GSS], and other progressive forces—that has effected the signing of the Dayton peace agreement and the lifting of the sanctions against our country.

[Mihajlovic] We envisaged this peace-oriented coalition as the best proposition for voters at the elections. We discussed that last year. From a political standpoint, it is a fresh and worthwhile option, because it is reasonable and logical.

Unfortunately, the SPO and the GSS abandoned the peace-oriented option and went into an alliance with those "who went out to wait for NATO bombs with bovines from Pale at a barbecue." That was followed by a farce with the "parallel parliament" and "one ticket against the communists," a worn-out slogan and "stale bait" for voters at the previous, unsuccessful elections as far as the opposition is concerned.

The SPO still has time to realize that development in peace is a more worthy goal than defeating the incumbent party and that Zoran Djindjic's policy of "antisloboism" [Serbian President Slobodan Milosevic's nickname is Slobo] is "honestly" [reference to Djindic's election slogan "Honestly"] the best shortcut to the political junk pile and total political irrelevance. The SPO must also realize that both Voja's (Seselj and Kostunica) are waiting like buzzards to tear apart Vuk Draskovic's constituency.

Things Are Difficult but Better Than They Were

[Ristic] How do you evaluate the participation of New Democracy in the Government of Serbia? Is that participation beneficial for the party or is it just a matter of "carrying out one's patriotic duty?"

Dusan Mihajlovic understood these questions as a challenge to speak about the "orientation and activity" of the party that is, in his own words, "between the hammer and the anvil."

[Mihajlovic] Do not expect that, as chairman of New Democracy, I will "tell you stories about how this country has achieved a lot and how things are good for us." "Things are not good. We still have not become an integral part of the institutions of the international community. We have not completely adjusted the legal and state system to make it possible to have a market-oriented and prosperous economic system. The economic situation is extremely difficult, and we are troubled by a host of other problems...."

Still, we must say that things are better than they were when New Democracy decided to enter into a coalition government. At that time our country was in a total blockade imposed by the international community, and it was also in danger of an internal blockade that might have had unforeseeable and even catastrophic consequences. New Democracy helped to steer the country out of a very precarious situation.

Benevolent people have assessed that the involvement of New Democracy in the government was a very courageous move. Our country has achieved significant results in terms of peace and diplomacy, and the Serbian Government has successfully held its own against the burden of a realistic budget and a fixed dinar rate in remarkably unfavorable economic circumstances. From that point of view, the contribution of New Democracy in the Government of Serbia can be evaluated as very successful. There is also a definite political benefit from our participation in the Government of Serbia. We are more numerous, stronger and more influential than we were before.

The Future Belongs to a Host of Small and Middle-Sized Businesses

[Ristic] Participation in the Serbian Government definitely carries different kinds of risks and responsibilities for any unsuccessful moves. "To err is human, and that means us too!" Mihajlovic said smiling, confirming that their participation in the government also has its political and practical problems. He illustrated this with remarks made by many New Democracy supporters that there is a danger that this party could find itself completely in the shadow of the SPS. "It is not easy for us," says Mihajlovic.

Mihajlovic adds that New Democracy is having problems in preserving the identity and independence of the party. Mihajlovic says that New Democracy could have accomplished far more had it been closer to the centers of financial power, business and state monopolies, and editorial policies of government media. Mihajlovic says that, as things are, New Democracy has "complete authority" in the ecology department, where it had to "clean up the dirt that others created." Still, the past period of coalition activity has given useful experience to New Democracy, but to its partner, the SPS, as well.

New Democracy "has a preference" for entrepreneurship and business. How do people in this party comment on the "mention" of a new "third program of stabilization?"

[Mihajlovic] I think that we do not need new programs. We need decisiveness and consistency in creating a market-oriented economy, and we need the courage to resolve the issue of ownership. We must accept three clear facts, that in these conditions, public ownership is the worst possible form of private ownership, that the best tax is tax that citizens and businesses can pay regularly and willingly, and that the economy thrives best if the state gives equal treatment to all firms and does not meddle in the decisions and affairs of business companies.

We support an economic policy that will patiently and gradually allow small and middle-sized businesses to thrive. The future belongs to a host of small and middle-sized business, those that are skillful and qualified. We cannot wait for the "big ones" to be reanimated.

A Pro-European Policy Is the Expression of Our Needs and the Framework of Future Development

[Ristic] On the diplomatic scene New Democracy has announced and given certain initiatives such as those on regional security in the Balkans, the FRY's joining the "Partnership for Peace" program and many others. What has been implemented in that respect?

[Mihajlovic] The ideas and initiatives of New Democracy are usually ahead of all others and herald ensuing events in the political, administrative, and diplomatic life of our country. That has its good as well as bad sides. It is assumed that he who makes an initiative ought to have benefit from the advantages of the "first move," but in this country there is a saying—"The rooster who crows first is usually the first to end up in the pot." On the political scene in Serbia, the merits of an initiative are not decisive, but the balance of power is in a given moment.

The mentioned initiatives made by New Democracy have a clear objective—for Serbia and the FRY to conduct a clear and decisive pro-European policy. Our initiatives have a strategic character and require time to be studied and turned into concrete steps. We in New Democracy are not impatient and we will keep reminding the authorities about the need to implement the given initiatives. Soon New Democracy will present new pro-European initiatives.

Realistic Not Maximalistic Requests Lead to the Solution of the Problem of Kosmet [Kosovo and Metohija]

[Ristic] New Democracy and its chairman see the solution to the problem of Kosmet in the context of creating Balkan and European integration.

[Mihajlovic] The activities of New Democracy in Kosmet are on a long-term basis. Their ultimate goal is to "dismantle that dangerous bomb" that is a threat to the peace, stability, and prosperity of the entire region. We see the solution in giving up maximalistic requests, in tolerance, strengthening civil democracy, and building an open society. This also means a high degree of autonomy for this part of Serbia and the FRY.

According to the way New Democracy sees things, moving boundaries, or even the expressed intention to do so, leads to conflict, with tragic consequences. We have seen this happen across the Drina River. Peace and transparent boundaries are essential for peace and European integration.

I am happy to see an easing of tension and a gradual acceptance of our proposal for creating a historical agreement between Serbs and Albanians from Kosovo.

That is a slow process, but it is going in the right direction and I see it as the greatest achievement of New Democracy in and around Kosmet.

[Ristic] The chairman of New Democracy recently visited Slovenia and tried to pave the road for better economic and diplomatic relations between the FRY and Slovenia. "We must work within the existing, realistic, conditions and in accordance with the needs of the times. Who works like that can be in a coalition with us," Mihajlovic said, coming back to the initial issue of this interview.

[Box, p 12]

Who Will Go With Whom Into a Coalition?

Asked if there was any likelihood of New Democracy joining in a coalition with the SPS and JUL [Yugoslav United Left], Mihajlovic said that it was still too early to talk about that. "Whatever seems logical and beneficial is still not necessarily definite and accepted," Mihajlovic says.

"All political parties in Serbia can be divided into only two political formations: the pro-European and the other. It is no longer possible to go into Europe with violence and war. Since that is the basic political division—because there are still no conditions for a division according to political programs—then it is logical for that to be the basis for forming election coalitions that will be offered to voters. If the SPS realizes that, then a coalition between the SPS, JUL, and New Democracy can be possible and probable, but also with all other political parties that understand the present realities."

Kosovo

Kosovo: Three Police Stations Attacked; Albanians Blamed

LD0308081796 Belgrade TANJUG Domestic Service in Serbo-Croatian 0624 GMT 3 Aug 96

[FBIS Translated Text] Pristina, 3 Aug (TANJUG)—Simultaneous terrorist attacks were carried out at about 2130 on several police stations in Kosovo-Metohija last night. Fortunately, there were no casualties.

Bombs were thrown at the Centar police station in Pristina, the police station in Podujevo, and the police station in Krpimej, also in the municipality of Podujevo.

TANJUG has learned that in Podujevo the blast caused a fire in which a "Pincgauer" police vehicle was destroyed, and an adjacent garage was also burned down. The fire was brought under control thanks to the fire brigade and police.

The latest terrorist attacks are the fifth this year to be carried out simultaneously in several places in Kosovo-Metohija. In the previous attacks responsibility was claimed by the illegal extremist Albanian separatist organization called "the National Liberation Army of Kosovo."

Kosovo: Further on Attacks on Police Stations

LD0308133596 Belgrade TANJUG Domestic Service in Serbo-Croatian 1213 GMT 3 Aug 96

[FBIS Translated Excerpt] Pristina, 3 Aug (TANJUG)—Synchronized terrorist attacks on four police stations in Kosovo were carried out last night, TANJUG has learned from reliable sources.

The attacks took place between 2100 and 2130, starting with Pristina's first police station and followed by the attacks on police stations in Podujevo, Krpimej and Luzane, also in Podujevo municipality.

The terrorists combined infantry weapons with bombs and the policemen responded by firing at the attackers. According to incomplete but reliable reports, no one was injured and a search for the culprits is under way.

The most damage was caused in Podujevo, where three police vehicles and three civilian cars were set on fire. The fire also spread to a nearby building accommodating the Red Cross, a garage, a number of other Podujevo municipal services. [passage omitted]

Kosovo: Serb Police Cordon Off Pristina Following Blast

AU0308163396 Tirana Radio Tirana Network in Albanian 1330 GMT 3 Aug 96

[FBIS Translated Text] A powerful explosion was heard after midnight near the police station in Podujeve [Podujevo], at about 0330. As a result of the explosion, auxiliary facilities as well as several Serbian police vehicles caught fire at the former police station building.

Following the blast, Serbian police blocked the city and beat and maltreated many Albanians. The police have blocked all routes to and from the city. A convoy of armored cars arrived from Prishtina [Pristina] to assist the local police in Podujeve.

At about 2100 last night, a powerful explosion was heard in the quarter of Muhaxhere in Prishtina, near the Serbian police station. The Serbian police immediately cordoned off the quarter. The cause for the blast remains unknown.

Reports from Podujeve and Prishtina confirm that police interventions were also observed in the village of

Lluzhan, 12 km from Podujeve, as well as in Kertimeh village.

Kosovo: Situation in Podujevo 'Tense' Following Blasts

AU0308205096 Tirana Radio Tirana Network in Albanian 1730 GMT 3 Aug 96

[Telephone report by correspondent Sherif Konjufca from Pristina]

[FBIS Translated Text] Following the enigmatic explosions at two locations in Podujeve [Podujevo] and one in Prishtina, the situation has become extremely tense particularly in the town of Podujeve and its suburbs. Meanwhile, Serbian police have undertaken a fierce campaign of violence against the inhabitants in the vicinity of the location of blasts and the passersby with Albanian nationality.

The Information Commission of the Democratic League of Kosova [DSK] in Podujeve reports of a powerful blast in the yard of an old police station, which set fire to the auxiliary facilities of the former station building and several police vehicles.

The inhabitants in the buildings close to the station confirmed for the Kosova Information Center that right after the blast numerous shots with automatic weapons were heard. Uncontrollable firing was also reported in the direction of the buildings around the scene of the incident. Police cars, armored vehicles, and the fire department caused a great confusion in the town streets. There are reports of a large number of Serbian armed forces coming from Prishtina and from Serbian towns, marching across the town streets until 0200. The city was practically blocked until 0900 on Saturday [3 August].

The DSK Information Commission reports of an explosion in Kertimeh in Podujeve and another one near the Serbian police station in Muhaxher quarter in Prishtina. It is reported that shooting was also heard at the same time in the vicinity of the police station in Lluzhan in the Podujeve-Prishtina road.

As of this time, there are no reports of persons killed or wounded. However, reports note continuous movement of police cars and a large number of citizens being lined up and maltreated by the Serbian police.

Kosovo: DSK Urges Citizens To Resist Regime 'Provocations'

AU0308203596 Belgrade BETA in Serbo-Croatian 1555 GMT 3 Aug 96

[FBIS Translated Text] The Democratic League of Kosovo [DSK] condemned yesterday's armed attack on three police stations in Pristina, Podujevo, and the village of Krpimej as "any other violent and terrorist attack in Kosovo," and called on citizens to "resist the provocations of the Serbian regime and extremist circles, and to refrain from activities that could lead to an escalation of the already tense situation in Kosovo."

In a statement prompted by yesterday's explosions in which a police garage and vehicle were burned, the DSK "warns international factors that a new wave of violence perpetrated by the Serbian authorities represents an excuse for the Serbian media and authorities to launch a campaign of violence against citizens of Albanian nationality."

"The Serbian regime wishes to pass judgment about the perpetrators of these incidents without any evidence," reads the statement and expresses doubt that "this regime is fabricating incidents and giving them more prominence than they actually deserve in order to justify using force against the Albanians."

"The international community should use the heightened repression in Kosovo following the unsolved incidents as an incentive for intensifying efforts aimed at finding a just solution to the Kosovo issue," the DSK statement says in conclusion.

Kosovo: Daily Sees Kosovo as 'Nest' of Espionage Activity

AU0208143796 Belgrade POLITIKA EKSPRES in Serbo-Croatian 31 Jul 96 p 5

[Commentary by Tomislav Kresovic: "Spies Light the Fuse"]

[FBIS Translated Text] Kosovo and Metohija can be taken as a typical example of diplomatic espionage activity in southeastern Europe. This territory is literally surrounded by intelligence activities, both logistic and in terms of "basic tools" (the human factor). In the so-called high-risk zone, in addition to Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] (where the CIA and DIA—the defense intelligence agency of the United States—are located), the zones of military intelligence are in: Albania, Bulgaria (according to the latest information, the new CIA center for the Balkans), and Bosnia-Herzegovina as an open training camp for support for NATO and the United States in extorting the "Dayton peace."

As far as the development of the situation in Kosovo and Metohija is concerned, this is the job of "AWACS" airplanes stationed in Albania, as well as spy planes located on the Croatian island of Brac. All of this (and more) is reinforced with wide-range electronic systems for observation from the territory of Bosnia-Herzegovina.

Factory of (Mis)Information

Using aircraft and satellites, the CIA very carefully monitors (read: registers) all relevant changes in the movement of FRY defense forces on the territory of Kosmet [Kosovo and Metohija]. These materials are distributed to regional centers and to CIA headquarters in the United States as well as to the State Department.

In addition to technical espionage, they also act indirectly, through nongovernmental humanitarian organizations, as well as through different foundations. A very important role in promoting U.S. global policy in Kosovo and Metohija has been given to the renamed "Soros Fund," which, through beneficial humanitarian aid and its cultural and scientific mission, works very perfidiously in the sphere of the so-called intellectual animation of the elite in the separatist movement. Specifically, this serves to establish coordination between the separatist structures and different institutions that serve to promote the transfer of political interests of the movement.

The "Mother Theresa" humanitarian organization in Kosovo and Metohija was engaged in other kinds of activities—handing out medical supplies and sanitary materials to illegal hospitals. It also supplied them with surgical tools and other medical equipment, as well as equipment for wartime field hospitals. It is clear that the separatists are counting on using guerrilla warfare tactics to start a conflict.

In addition to humanitarian organizations, an important role in creating separatist objectives toward Western diplomacy and the United Nations, belongs to the U.S. public relations firm "Rudder Fin," or more precisely, its Washington headquarters, which works directly for the State Department. This "factory of lies," whose basic tools are creating selective (mis)information, has been working cautiously but openly in Kosovo and Metohija for the last four years. Their goal is the "positive packaging" of the separatist movement in international organizations and media.

A full circle of media, diplomatic, and intelligence activity has been carried out by the opening of the USIS center in Pristina, whose assignment is, allegedly, to provide citizens of Kosovo and Metohija with information about the United States. They are really analyzing the political, economic, social, and security situation in the southern Serbian province.

The strategic intentions of the CIA and DIA in Kosovo and Metohija involve the monitoring of the situation and directing the policy of the Clinton administration. The principal aspects in evaluating the situation are: The social and economic situation (particularly of the Sqiptars [Albanians]) and directing the labor and political battle of the separatist movement, ranging from nonviolent resistance and strikes to working out scenarios for terrorism and other forms of combat. In other words, analytical assessments are created and ascertained that then lead to diplomatic pressure by the United States against Serbia/FRY via the so-called outer wall of sanctions.

Like Hornets in a Nest

For different strategic reasons, the United States and Sweden have repeatedly voiced proposals to define the UN and NATO protectorate in Kosovo and Metohija. That is nothing else but a classic case of diplomatic pressure, a prejudgement of every political solution, in the context of the Constitution of Serbia and the FRY. Very cunningly they point out the need to redefine the status of Kosovo and Metohija and the Sqiptar minority in Yugoslavia.

In addition to the CIA, which is in many ways connected to the Albanian drug mafia, the Albanian Security Service (Sigurimi) is also working on the territory of Kosovo and Metohija. It is riding on the wave of the Albanian Government's official view (recognizing the status of the "Kosovo Republic") and organizing its activities not only in Kosmet, but also through the Albanian Embassy in Belgrade. Distinguished diplomats from this embassy attended intelligence classes in Germany. The work of the Albanian intelligence service has been going on for a long time, and it has a developed (although modified) networks and a method of working.

Let us add that the Croatian intelligence service is also active in Kosovo, abusing the Catholic humanitarian society "Caritas," in order to significantly influence the political views of people in Janjevo Municipality (where there is a concentration of Croats), but also Sqiptars (Catholics—Malisori), a member of whom, among others, is separatist leader Ibrahim Rugova. This service works in a given situation, very effectively using a wide network of former Sqiptar officials in the League of Communists. In return, they are given significant publicity in Croatia.

Of course, we should not forget the interests of other intelligence services, including those of Germany, Turkey, and Iran. In the case of Turkey and Iran, they are interested in monitoring the Muslim factor. Germany, as a leader of the European Union and as a country that has always had its interest in the Balkans, sees Kosovo and Metohija as an area for its standard espionage activity, which in certain parts, differs from the intentions of the United States.

Let us reach a loud and clear conclusion that Kosovo and Metohija is a hornet's nest of activities and interests of many (often diametrically opposed) espionage and diplomatic services.

Kosovo: Ethnic Albanian Political Prisoners Moved to Serb Jails

AU0308162296 Zurich BOTA SOT in Albanian 3 Aug 96 p 1

[Report by the Kosovo Information Center: "Albanian Political Prisoners Continue To Be Transferred to Prisons Outside Kosovo"]

[FBIS Translated Text] Prishtina, 2 August (QIK)—The Serbian-installed authorities have recently undertaken an operation to transfer Albanian political prisoners from the prisons in Kosova to various centers in Serbia.

As it is known, Mr. Ukshin Hoti, chairman of the UNIKOMB [National Unity Party], was transferred some days ago from the Dubrave prison to that of Nis. According to reports by family members, two more Albanian political prisoners were sent to prisons outside Kosovo.

Shemsi Veseli, sentenced to four years in jail in a trumped-up political trial in 1993, was transferred to the infamous prison of Pozharevc, while Jonuz Loshaj, convicted last year in a concocted political trial against the former Albanian policemen, was sent to the prison of Mitrovice [Mitrovica] in Sreme (Vojvodine).

The family members said that this measure against them seems to have been undertaken as a punishment. Some days before being transferred to Nis, the Serbian authorities interrogated Mr. Ukshin Hoti about an alleged case of infringement committed in 1993, for which legal proceedings have been initiated against him. Meanwhile, Shemsi Veseli was held for 10 days in a cell before being transferred to Pozharevc prison.

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